

ROBERT L. MADDOX, et al.

PLAINTIFFS

VS.

MERRELL WILLIAMS

DEFENDANT

UNDER SEAL - PURSUANT TO COURT DIRECTION

CONTINUATION OF THE

VIDEOTAPED DEPOSITION OF MERRELL WILLIAMS, JR.

Taken at the Offices of Bryan, Nelson, Schroeder, Castigliola &
Banahan, 1103

Jackson Avenue, Pascagoula, Mississippi, on Wednesday, March 20, 1996,

beginning

at 9:51 a.m.

APPEARANCES:

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MR. SMITH:

For the record, this is a continuation of the deposition of Merrell Williams, which was begun in court or in the courtroom of Judge Wine on January 15, 1996. Judge Wine is not present with us today but indicated that he would review this transcript and make rulings on claims of privilege raised by the witness during the deposition.

As to objections, other objections to the questions asked here today, I believe it would be appropriate for objections to be noted on the record.

MR. DeMOISEY:

I also agree.

MERRELL WILLIAMS, JR.

having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. SMITH:

Q. Mr. Williams--

A. Before we begin, may I add one thing which is a correction to the last deposition?

Q. Well, yes. In fact, my first question to you is, have you read the transcript from the January--

A. This is a technical point.

Q. Well, let me ask you the question. Have you read your deposition transcript from January 15, 1996?

A. Yes, sir, I have.

Q. And do you have any corrections to the transcript?

A. Yes, I do. Now, this is purely a technical correction. I would reserve whatever rights I have to make changes because there are a number of errors in that deposition. I did not receive a copy of a-- making changes, which was not included in the one that I received. This is a technical change, purely technical, and it has to do with Page 3, Lines 1 through 5. And I don't know whether anybody noticed it, but I brought it to Fox's attention this morning.

The deposition states that it was held, to put succinctly, on March the 3rd. That is an incorrect date. If you would like to correct the date on that--

Q. Thank you. The day was January 15, 1996,

correct?

A. Right. And I believe it just encumbered the Lines 1 through 5, and the changes would be simply the date.

Q. Mr. Williams, you've stated on the record here that you have read the transcript of your deposition of January 15, 1996. Are there any other corrections that you-- that need to be made to that deposition?

A. Yes, sir, there are, but I cannot make them at this time because I don't have the correction form before me, and I was-- I didn't receive it in the mail, and I would like to reserve that for a later time.

Q. When did you receive the deposition transcript?

A. I don't remember. I don't remember.

Q. More than a week ago?

A. It's been some time ago, yes.

Q. And I don't care whether you have the correction sheet before you. What are the inaccuracies?

A. I cannot give you the inaccuracies. They're-- the errata would be something along the lines of the errata that I have included in the past, when I did receive a sheet. The-- Particularly dates, times, spelling, punctuation, syntax, perhaps a misunderstanding of a name, that sort of thing.

Again, I think it would-- we would be wasting time here if I tried to go through every little correction. I understand your point. You would like to have that. I have not got-- I'm not prepared to say that this is a perfect transposing of what went on at that particular date.

Again, I pointed out one error. There is other error., and I'm sure--

Q. Have you marked the errata on the transcript that you have? The question is, have you marked the errata already?

A. Yes, sir, I have.

Q. No. I mean all of the errata.

A. No, sir, I have not.

Q. You've only marked the one you gave me here today?

A. Well, I think that's the most important one because of the date. I mean, we can't go back in time.

Q. My question is very simple. Does your copy of the transcript contain a circle or a mark of some kind at every point where you have found an

error?

A. No.

Q. Does it contain any markings other than the one you just put on there this morning?

A. No. But it also is-- I would append that with the remark that this is not a totally accurate transcript.

Q. So you have not-- Is it correct that to this date, you have not, in any form, marked or written down the errors that you have found in the January 15 transcript?

A. Not in accordance with the following-- the preceding depositions, the seven depositions that were held before in which I received a copy of, please make corrections.

Q. Mr. Williams, have you written, in any form, in any way, either on a copy of the transcript or on a pad or in any other form, have you written down the errors that you found in the January 15 transcript?

A. The answer is no, but I have perused it. I have found errors.

Q. Thank you. How long would you like to be able to make those corrections and provide them to counsel? Would a week suffice?

A. If you will give me two days, I would be glad to do that.

Q. Well, I'll give you a week. All right? Is that reasonable?

A. Thank you.

Q. You're welcome.

A. That's reasonable.

Q. Now, I served your counsel with a notice of this deposition that contained the same language as the deposition notice for the January 15 deposition with regard to production of documents. And I've marked that as Exhibit 1.

(Exhibit 1 was marked.)

MR. SMITH:

Q. And my question is simply, have you brought any documents with you today in response to the deposition notice for this deposition?

A. Before I answer the question--

MR. DeMOISEY:

For clarification, we should also note that Mr. Smith and I had a conversation about this particular request, which is fundamentally the same one that's been outstanding and was not--

MR. SMITH:

Fox, let me finish-- You're right. I

didn't finish what I meant. I also wrote Mr. DeMoisey and Mr. Morrison when I served them with the notice and told them that anything that had been produced pursuant to the notice at the last deposition did not need to be produced today. That this notice only meant to pick up any documents that were not produced at the last deposition and were responsive or that had been produced since the last deposition and were responsive.

Is that fair, Fox?

MR. DeMOISEY:

All right.

A. I don't have anything.

MR. SMITH:

Q. Are there any other documents responsive to that that you have not brought either at the last deposition or with this deposition?

MR. DeMOISEY:

Mr. Williams asserts the Fifth Amendment on that question, the way it was asked.

MR. SMITH:

Well, he needs to assert the Fifth.

A. On the advice of counsel, I assert the Fifth Amendment privilege, based on your question.

MR. SMITH:

Fox, is there some better way for me to ask that that he would answer?

MR. DeMOISEY:

It's my understanding, as stated on Page 11 of the court's comments in the January 15th hearing is, the purpose of this deposition is to elicit information that supports Brown & Williamson's claim that Mr. Williams should be prosecuted for criminal contempt of court.

So any question that you ask concerning the existence of documents or the conduct, things said, any of that sort of thing that could tend to incriminate Mr. Williams on the charge of criminal contempt for being in violation of either the restraining order of September 1993 or the temporary injunction of January 1994 is going to get the same assertion of privilege.

MR. SMITH:

Mr. DeMoisey, I would caution the witness that the Fifth Amendment does not provide a blanket objection to every question. It is a limited privilege that applies to questions in and of themselves which may incriminate. In factual matters, such as attending a meeting, the time of a meeting, where a meeting was, possession of things

does not necessarily rise to the level of incrimination. And so I would strongly caution you and your witness not to interpose blanket Fifth Amendment objections to every question related in any way to those issues.

MR. DeMOISEY:

Well, first of all, I would stand on the record that we've already got so far. We are not taking a circumstance where any question that you ask is going to get a Fifth Amendment.

What I said was, that questions that would tend to incriminate on the question of violation of the court's restraining order or temporary injunction, we've answered quite a few questions that do not get into that area and would intend to do so today.

But your question to me was, in response to the questions to Mr. Williams, you asked him, do you have any documents, right off the top. And my answer to you was, when you ask those kinds of questions, generally speaking, you're going to get an assertion of privilege.

MR. SMITH:

All right.

Q. Mr. Williams--

A. First of all, I appreciate your caution, and I will accept my advice of counsel here.

Q. Thank you, Mr. Williams.

Mr. Williams, at the January 15 deposition, Judge Wine indicated that, in his mind, refusal to answer one question would not be nearly as serious as refusal to answer numerous questions. And in that regard, my question is, have you had an opportunity to reconsider and would you like to respond now to any of the questions posed to you on January 15 to which you interposed a Fifth Amendment privilege?

A. Would you repeat the first sentence that you just gave?

Q. Well, I don't recall the first sentence. I'll actually read it to you. "Mr. Williams, at the January 15 deposition, Judge Wine indicated that, in his mind, refusal to answer one question would not be nearly as serious as refusal to answer numerous questions." That was the first sentence.

And my question pending is, would you like today to try to purge yourself of some of the contempts that he--

MR. DeMOISEY:

Objection to the form of the question.

MR. SMITH:

I'll accept the objection, but can I finish the question?

MR. DeMOISEY:

Well, when you are going to start the question, "to purge yourself of contempt."

MR. SMITH:

Well, he did find Mr. Williams in contempt. I'll restate the question.

Q. Mr. Williams, you were found in contempt by Judge Wine on January 15 on several occasions for failing to answer questions that you were ordered to answer by Judge Wine. And my question is a simple one. Have you reconsidered and would you like to answer any of those questions now?

A. Let me reconsider what Judge Wine did say. He indicated that under existing case law that he understood at that time, it was my understanding that it would ameliorate the matter of having a five-month, 29-day jail term, plus a \$1000 fine, and his consideration was whether or not he would take the matter under his bench consideration or whether it would be submitted to a jury.

Under his considerations, which were, I believe, concise in that that particular parameter of his legal expertise, I would like to consider today's deposition as we hear it, and your questions, and not to go back on the 15th and make any kind of reconsiderations unless counsel advises me otherwise.

Q. Mr. Williams, is it your answer that you do not want today to answer any of the questions that you interposed the Fifth Amendment to on January 15th?

A. With the caveat that you've inserted the word "purge", and my counsel has advised that "purge" is a word that might be a stepping stone to some other misleading characterization to the court, and I am sure that Judge Wine wouldn't want to be mischaracterized.

MR. DeMOISEY:

Let me make a suggestion, here. This is a question we had not anticipated. Perhaps a two-minute break to ask him, and we can get to the bottom of this.

MR. SMITH:

Please. Let's do that. I just felt like I ought to do that.

MR. DeMOISEY:

I appreciate that and that's not a problem, but I think, perhaps, we need to ask.

MR. SMITH:

Let's go off the record.

(Off the record.)

MR. SMITH:

Fox, there was a break taken at your request. Does the witness have anything to add after that break?

MR. DeMOISEY:

It's going to be Mr. Williams' position that he does not wish to change his position with respect to the questions he declined to answer, with all respect to the court.

MR. SMITH:

Q. Since the last deposition or since this deposition was started on January 15, 1996, since that time, have you talked to Richard Scruggs?

A. I don't think so. No, I haven't.

Q. Have you talked to anyone in his office?

A. Yes.

Q. Who have you talked to?

A. The-- Well, let me just try to give you a brief description. I work for Scruggs, Millette, so it would not be unusual for me to talk to someone there. Now, just whom I talked to, I-- the receptionist, a couple of other people. I don't recall. But I don't think I did talk with Richard Scruggs.

Q. All right. How long have you worked for Scruggs, Millette?

MR. DeMOISEY:

Let me interpose an objection, here. What does this have to do with whether or not Mr. Williams is in contempt of the restraining order or the temporary injunction with respect to documents?

MR. SMITH:

Well, I think that's obvious. And, you know, Mr. Scruggs has stated in the paper that Mr. Williams provided him documents, and the circumstances or the reward for that is obviously relevant to this consideration.

Q. Now, how long have you worked for Scruggs, Millette?

MR. DeMOISEY:

Well, no. That's not my point. My point is, this deposition is limited to evidence that shows whether or not Mr. Williams is in contempt of the court's order. What his present employment is some-- well, let's just use the date of the restraining order, September of '93-- in March of '96, what he's presently doing can have nothing to do with whether

or not he is in violation of the court's order.

MR. SMITH:

Well, I think those circumstances are highly relevant to the finding of contempt and what remedy Judge Wine may impose as a result of that. We talked at length about employment at the last deposition without objection, and so I am going to go into that here. It's highly relevant.

Q. Now, how long have you worked for Scruggs, Millette?

THE WITNESS:

Do you advise me to answer the question? Do you think it's relevant? Should I answer the question?

MR. SMITH:

Well, relevancy is not a valid objection.

MR. DeMOISEY:

That's not an objection to which you should not answer the question. It simply protects the record.

MR. SMITH:

Q. How long have you worked for Scruggs, Millette?

A. I'm an independent contractor. I'm a research consultant. And I get paid by Scruggs, Millette. I don't actually work in the office. I have-- it's been approximately, I'm going to guess, eight months or so, officially from that office.

Q. From whom do you receive assignments?

MR. DeMOISEY:

Let me raise another point, here. Obviously, from what I'm hearing, my client is working for a law firm, and obviously, I do not represent that law firm. I represent Merrell Williams.

MR. SMITH:

I don't intend to get into areas of privilege. The person that he receives assignments from does not get into privileged matters.

MR. DeMOISEY:

Well, that's an amazing thing for you to say, in view of the attorney/client privilege that you all have asserted. And I am going to instruct my client not to answer that question without presence of someone from that law firm.

MR. SMITH:

The person that he gets assignments from is a privileged matter? Well, I'll ask the questions--

MR. DeMOISEY:

Well, you all said that Bates stamping a document is a privileged matter when you all used that as an argument in the court of Virginia. Now, if we are going to play the attorney/client ambit work product game, it's going to be both ways the same way. And I'm not going to have him answer a question without somebody from that law firm here to evaluate whether they want that question answered or not. I don't know the answer to that one.

MR. SMITH:

Let's just leave-- You know, if you're going to instruct him not to answer, let's just object and instruct and go on instead of arguing.

Q. The question is, from whom do you receive assignments at Scruggs, Millette?

A. Well, if you would like to follow this through, why don't you call Dick Scruggs on the phone right now and find out who I get assignments from. And if he'll give you an answer, if he'll allow you to do that, then--

Q. Mr. Williams, you may answer the question, if you want to.

A. That's who I--

Q. From whom do you receive assignments at Scruggs, Millette?

A. In listening to my counsel--

Q. You refuse to answer?

A. I am answering your question saying, if you would like to find out, then you can go and ask Mr. Scruggs who I get assignments from.

Q. What is your pay at Scruggs, Millette? What do you get paid?

A. \$3000 a month.

Q. \$3000 a month. Do you submit time sheets for your work?

MR. DeMOISEY:

Again, I'm going to-- that's the same things that you all say is attorney/client privilege, and all those type of questions, without a representative of that law firm to evaluate--

MR. SMITH:

Just let me answer the question-- if you want to instruct him not to answer, you're free to do that.

Q. Do you submit any time sheets or time records to justify your pay?

MR. DeMOISEY:

The same-- In the interest of time, let me just say all these types of questions, I think should be asked with a representative of that law firm here,

and without that, I am instructing my client not to answer until such time as he has permission from that law firm to answer. And I don't know they won't give it, but I don't think he's in a position to make that determination and, certainly, I am not.

A. On the advice of counsel, I refuse to answer the question.

MR. SMITH:

Q. Do you go into the office daily or do you--

THE WITNESS:

Once we open the door, do we go through it or what?

MR. DeMOISEY:

Well, that's what they're trying to do.

MR. SMITH:

If we have to go back and get an order to-- on questions that, in my mind, clearly do not indicate privilege and have to come back, you know, we are going to seek costs on it. I mean, the fact-- whether he goes into an office does not implicate privilege, but if that's the position that you want to take, let's take it and go on with the questions.

MR. DeMOISEY:

Mr. Smith, let me ask you something. If we were deposing somebody from your office and asking these questions without a member of your law firm present, you'd be going off like a skyrocket, particularly in view of some of the rulings that have come down that I am collaterally aware of from the Fifth Circuit involving this collateral case you all filed down here.

Now, all I'm saying is, that if you want to get into all those questions, that's fine, as long as that law firm or some representative of it is here to protect whatever interest they have. And you keep rolling this along.

MR. SMITH:

You can instruct the witness not to answer or not and I am going to ask the questions.

Q. Do you go into the office or do you work out of your house?

A. Well, I am accepting the advice of counsel and I am refusing to answer the question. However, you might be able to get a waiver if you call Mr. Scruggs over here. I don't know.

Q. And after you left the employ of Barton & Williams, what was your next employment?

A. Julie Ardon as an independent contractor.

Q. And what were the dates of your employment

with Julie Ardon?

THE WITNESS:

I think we've asked and answered this question in the last deposition, did we not?

MR. DeMOISEY:

Yes.

THE WITNESS:

Do we need to go over that same territory?

MR. SMITH:

Q. Who did you work for after you worked for Julie Ardon?

A. After, Mr. Scruggs, as an independent contractor.

Q. And you've worked for Mr. Scruggs' firm for approximately eight months?

A. I'm just picking that figure out, yes. I think it was about-- sometime in June, July-- June, July of last year, so that would be yes, about eight or nine months.

Q. Prior to becoming an independent contractor and performing work for Mr. Scruggs' firm, did Mr. Scruggs provide any money to you?

A. Are we going into the same thing that we did before on house, car and boat and all this information that you've been over?

Q. We haven't even started to go into that before. We are going to today. But I need you to answer my question. Before you went to work for Mr. Scruggs' firm, did he provide any money to you?

A. No.

Q. Never provided any-- not a penny to you up until you became an independent contractor working for Mr. Scruggs?

MR. DeMOISEY:

Let me object to the form of the question. I am not quite sure that I understand what you mean, "provide".

A. I'm not either.

MR. SMITH:

Q. It's pretty simple. Did you get any money from Dick Scruggs before you worked for him as an independent contractor over the last eight months?

A. Well, I think we are getting-- we are rolling this over into the federal-- the court, which is my concern, which the judge-- the federal appellate court has said that should not be rolled over to. That's exactly where you're going on this.

Q. Mr. Williams, it's not your decision on what rolls into what. The question is, and it is

absolutely relevant to this proceeding, did Dick Scruggs pay you money before you became an independent contractor working for his law firm. Now, you can answer that or you can refuse, but you must do one or the other.

A. Are you talking about money or are you talking about loans?

Q. I'm talking about money now. I am talking about money now. I am going into the rest of it.

A. A loan for a house, a loan for a car? Is that what you mean by "pay"?

Q. No. Right now, I'm talking about cash money. I am going into cars and boats and houses, but right now, I want to know, did you get any money from Mr. Scruggs before you became an independent contractor working for his firm?

A. No.

Q. Not a penny?

A. I can't think of anything, no.

Q. Did you get any money from anyone associated with Mr. Scruggs' firm before you became an independent contractor working for him?

A. No.

Q. Did you receive any money from any other lawyer that is representing plaintiffs against the tobacco industry?

A. No. And could you spell these out, which one you're talking about, which ones you're talking about?

Q. No, I'm not. I am asking you any lawyer that you're aware--

A. Well--

Q. Let me finish the question.

A. Well, let me answer what you just asked me.

Q. No. I haven't-- You did, and I'm going to ask another question now.

A. Okay.

Q. Now, we need to let me finish the question before you interrupt me because it's very difficult for the court reporter to get this down.

Now, the next question, when did you and Mr. Scruggs first discuss--

THE WITNESS: Did he finish the question?

MR. SMITH:

Q. When did you and Mr. Scruggs first discuss you being provided a house?

A. The house that was to be leased was discussed shortly after I began to get harassing

phone calls and wire tapping and investigators from Brown & Williamson or the firm of King & Spalding, on or about sometime in May of '94.

I had a child who came down here because, I believe it was shortly after April 28th, April 24th, April 28th, who was in Catholic school, and she was informed that there was a hit man out for me. And so Sherrie put her on a plane. I was living in the Fort Bayou Estate Apartments, and I was concerned because I had custody of both of my girls at the time.

And I believe I discussed leasing a house with Mr. Scruggs sometime during the time that Sara was here or shortly before she came, and certainly, it was after the 6th of May that she came down here. But Sara was in a very upset mood, and I wanted a safe neighborhood, and I asked specifically if I could possibly find some place where I would not be harassed by Brown & Williamson and King & Spalding, and that my children would be safe, both of them girls, and they would be coming down on August the 10th.

Sara was with me in the month of May and part of June. She left school early because of threats. She left school early because of a very uncomfortable situation there.

Mr. Scruggs was concerned about my life, and I was concerned about my life, but I was more concerned about my children. I made my decisions. My children couldn't make theirs because they were under my custody.

I guess the discussion came somewhere in the neighborhood of when the threats begin to really get hot and heavy, somewhere around in-- after May 6th, when Phil Hiltz published an article on Derby Day in Kentucky, and Henry Waxman, who was head of the subcommittee looking into tobacco issues brought about some information which led to some investigations that were going on at the time.

So, in that area of time, I discussed with Mr. Scruggs the leasing of a house, and he was happy to acknowledge that that could be done, and it was no problem.

Hence, I set about to find a house and to go into a lease arrangement. That house turned out to be the house at 1415 Diller. And on timeframe, it was at that particular time. I hope that answers your question.

MR. DeMOISEY:

Excuse me. Could we take about a maybe

five-second break?

MR. SMITH:

Sure.

(Off the record.)

THE WITNESS:

One of the compelling reasons for leaving the Fort Bayou Estates was a break-in and an assumed break-in. I'm sure if your investigators that you sent down here looked into it, they would have found that that was the case.

I didn't want to have my daughter in that particular situation, and I certainly didn't want them down here going to school in Ocean Springs and being harassed in October and November by investigators. And I believe you've subpoenaed both my children in the federal case.

So that was the motivation for Mr. Scruggs, was particularly to get me out of the-- to get my children, my family-- and at that time, I was married, since divorced. And I think that he was motivated by goodwill. And certainly substantial amounts of money wouldn't bother him. And M&S Enterprises is one of the purchasing places. He uses M&S Enterprises as his business.

And so I was to lease the house at that particular time. And I think that was somewhere in the area, certainly after the shit hit the fan, so to speak, in terms of Brown & Williamson, and the truth coming out in the newspapers and so forth.

MR. SMITH:

Q. Mr. Williams, was this-- were these discussions about the house before or after you gave Brown & Williamson documents--

A. I don't think there were any discussions at all. It was just merely I'm being harassed and stalked and these people are tapping my phone. My child is in danger. Someone came on the school ground in Louisville and said, you have-- your dad is going to have a hit man on him. I don't know whether that was coming from any substantial source or not.

I knew that my apartment was being broken into. I knew that people were there. You admit that you have investigated in the federal case. You went into this all in detail. I've certainly seen the records that you've revealed in Jeffery Wigand's case. I know that you probably have the same on that.

To me, I think that Dick Scruggs viewed you as a bunch of bad guys and a bunch of hoodlums.

Q. Mr. Williams, my question is, were these

discussions with regard to providing you a house before or after you provided Brown & Williamson documents to Mr. Scruggs?

MR. DeMOISEY:

Objection to (A) the form of the question because you're asking as through there is evidence to that effect, and there is none in this record that I am aware of; and secondly, that goes right to the question of the contempt, which I earlier have stated that my client is going to assert the Fifth Amendment as to any of those types of questions.

MR. SMITH:

Well, let him do it then.

A. I accept the advice of counsel.

Q. And what; take the Fifth?

A. Yes. I will take the Fifth.

Q. Now, have you ever made a lease payment to anyone on the property at 1415 Diller Road?

A. No.

Q. Is that where you currently live?

A. Yes.

Q. Have you ever made any payment, whether it be a lease or a mortgage payment or any kind of payment to anyone for the privilege of living in that house?

A. No.

Q. Is there any kind of a document in existence where you have-- that you have signed reflecting any obligation on your behalf to make payment for your use of that house?

A. Not that I know of.

Q. Do you own that house?

A. It's in my name, yes.

Q. You own it free and clear; that is, there are no mortgages on that house?

A. I assume not.

Q. All right. When you say it's in your name, do you own it on behalf of someone else or is it your house?

A. You have got the answer, and it's in my name.

Q. Okay. So it's your house?

A. I would assume that ownership is mine.

Q. All right. And you've made no promises to anyone to make any payment for the provision of that house?

A. I have.

Q. You have? But there is no document reflecting that?

A. To my knowledge, there is no document

reflecting that, sir.

Q. And what obligation do you have to make payment for your, first, use of that house and then the actual providing of that house to you in fee simple?

A. Trust.

Q. Trust. And who did you make the assurance to?

A. To Mr. Scruggs.

Q. To Mr. Scruggs. And is anything taken out of your pay from Scruggs, Millette to repay the debt that you say you owe Mr. Scruggs?

A. No. But he's quite aware that I can pay it.

Q. Aware that you can pay?

A. He knows that I can pay for it.

Q. For the house?

A. Sure.

Q. You have the funds to repay him for the house right now?

A. Well, I guess I could go into an area of speculation here, which might be elucidating but--
MR. DeMOISEY:

Let's not speculate.

A. Okay. Since the time that this has taken hold, and with the notion that the amount of the house is rather small, \$110,000, and it doesn't depreciate, you have created something of a monster right here, I suppose, you and your colleagues and the particular lawsuit that's going on, a monster which the entertainment business does not--
MR. DeMOISEY:

Don't speculate.

A. -- does not necessarily believe is something that is foolhardy, in terms of an investment.

I am not speculating on the probability of making a substantial amount of money in order to pay back Mr. Scruggs, and he's quite aware of that.

MR. SMITH:

Q. Mr. Williams, are you negotiating with some media outlet, whether it be for book rights or movie rights, to be paid money to talk about your history with Brown & Williamson?

A. Well, let me--

MR. DeMOISEY:

Objection. That's irrelevant to the proceedings.

MR. SMITH:

Oh, it absolutely is not. He has been

enjoined from violating-- I mean, there is a preliminary injunction in place, and ongoing violations of that are clearly relevant to the contempt proceeding. And the question is--

MR. DeMOISEY:

Object to the form of that statement because you are assuming that my client is engaged in the conduct of the type that you all engaged in. You have no understanding of what is going on--

MR. SMITH:

But it's clearly relevant in this deposition--

MR. DeMOISEY:

It is not relevant. How is that relevant to whether or not there was a violation of a restraining order in September of '93 or the January of '94 temporary injunction? The simple question, it is not. This is simply a fishing trip to harass my client, and he does not have to answer what his speculative plans are to satisfy your morbid curiosity. I instruct the witness not to answer.

A. I accept the advice of counsel and will not answer. But may I have just a word with you about another attorney who is involved?

MR. DeMOISEY:

All right.

MR. SMITH:

Fine. Let's go off the record.

(Off the record.)

MR. SMITH:

Q. You've taken a break to talk to your lawyer. Do you have anything you want to add?

MR. DeMOISEY:

Why don't you go back and ask the previous question. Maybe that would be a better way.

MR. SMITH:

Q. Mr. Williams, are you negotiating with some media outlet, whether it be for book rights or movie rights, to be paid to talk about your history with Brown & Williamson?

A. No.

Q. Are you negotiating with any media types-- when I say that, I mean in the broadest sense, books, TV, movies, documentaries, you name it-- with regard to anything?

A. I am not negotiating with anybody.

Q. The reason I asked that is that earlier in this deposition, you said, "The amount of the house is rather small, \$110,000, and it doesn't depreciate. You have created something of a monster

right here, I suppose you and your colleagues and the particular lawsuit that is going on, a monster which the entertainment business does not necessarily believe is something that is foolhardy in terms of an investment. I am not speculating on the probability of making a substantial amount of money in order to pay back Mr. Scruggs."

And my question is, what did you mean, "that the entertainment business does not believe is something that is foolhardy in terms of an investment"?

A. Well, let me clarify that. Through one of my attorneys, I received a call very early in 1994, and he said, are you interested in selling your story rights. And I said, well, I can't talk about anything because of an injunction, and therefore, I am prevented from that.

There were subsequent conversations with that attorney who received some information from, I forget at this point, two or three or four different-- I think they're called packagers or agents or whatever. And they tried to put something together, as I understand it.

I realized that there wasn't a lot of-- first of all, I couldn't talk to-- I couldn't talk about what happened at Brown & Williamson, no. I couldn't talk to anyone about the documents, no. But there have been-- the offers were substantially in the area of interest, and they were monetary-- well, I mean, not contracts, but certainly, there were people who were interested in the story.

For example, how did this affect your children, questions relating to how you were being harassed on a regular basis, investigations, similar to the problems that I'm sure that people who come forth and divulge information that corporations have been trying to hide for years.

The actual-- There were no contracts signed. There has never been a contract signed for a life story rights, but I think Mr. Scruggs was quite aware that at some point this was an interesting story, that Mr. Royals had received several calls. I believe that this had gone on for some time.

And at one point, I was considering the-- through a friend, who did photography as a freelancer for Rolling Stone and New York times, et cetera. He was in his agency and there was an article in The American Lawyer, and he had taken that to his agency and then--

You've got to understand that a lot of

this seemingly is a mystery to me. I don't know what's going on. But there was quite a bit of interest. And agents started calling this fellow. Or calling, according to his description, and would I like to do something. And I said at the time that I could not do anything, particularly in relationship to Judge Wine's gag order, but that the story was bound to occur. The figure is close to a quarter of a million dollars, a half a million dollars, in that neighborhood, were tossed around.

I didn't want anything to do with-- I was particularly concerned by the fact that there might be a possibility of Lowe's, for example, getting a hold of a story that could convert into a propaganda item for the tobacco industry, and therefore, further obligate the young-- or pre-teenagers, actually, to the smoking myth, in that the industry indulges itself, I suspect, in a kind of underground-- I've never seen anything of this sort, but certainly am imagining that you don't produce "Waterworld", for example, without-- 140 million dollars, without substantially advertising a product, such as the smokers. And then getting that across. I mean, how you get a plant in Macon, Georgia, for example, to make you a cigarette and then have nothing but water in the world is intriguing to me.

My point being that I felt like that if I had anything to do with this, that it was certainly going to be under control and I would not be an advertisement for cigarettes.

So through Mr. Royals and others, I considered some offers, and I thought about the idea. I thought about the injunction. And most people realize that the injunction would preempt any kind of thing of that sort.

And yet the story goes on, and you continue creating what I call the-- actually, it may be a good monster and it may be a bad monster, but it has entertainment value, sort of like Lorraina Bobbit, but I don't want anything to do with it.

So therefore, I hired-- or I was approached and hired an entertainment attorney from a Beverly Hills firm, and if she is still around, if she is still interested, you could probably depose her and see if you can get any information from her as to what value would be put on this.

Your question being, can I afford to pay Mr. Scruggs back. The answer is, there is a probability. And at the time when all of this madness was going on and when the-- my life was

seemingly in jeopardy, much like Dr. Jeffery Wigand's, I was receiving calls through my attorneys, and I did certainly make some judgments on that.

I didn't-- I didn't sign anything. I have not signed anything. I do have a person who is a lawyer who represents me in Beverly Hills, as I know it today. May not.

But I particularly want to stay away from, one, violating the order, which seemingly will go on forever. But if it doesn't, I still have a silent story and maybe a silent movie, and if that is true, then there is-- and somebody is interested in doing it, the movie, yes, fine.

In addition to that, I don't think that I will give up my rights to be slightly emancipated and remember some of the things that are happening to me, for example, right now, with you, and that may become literature. It may not. Mr. Grisham might write it. As I understand, he is.

Q. You think-- you understand John Grisham may be writing some story about you?

A. No, not that I know of, but I think it's interesting if you want to believe that.

Q. I thought that's what you just said.

A. No. I said Mr. Grisham may be the one who writes the story, and I am sure that he doesn't have any problem getting published at all.

Q. Mr. Williams, so when you said earlier in the deposition that you were not speculating on the probability of making a substantial amount of money in order to pay back Mr. Scruggs, what you meant is, that you have every reason to believe that at some point, you will make-- the range you said, \$250,000 to \$500,000 as a result of some literary or movie rights to some story that you've got to tell; is that correct?

A. If I am emancipated, like other individuals and human beings that exist on this planet, at some point in time, I do believe that I have the right to put down my story without infringing upon the problems that a judge might put down in front of me. I believe that that's not going to be a continuing thing.

The other possibility is if at some point, this industry finds itself in a rather difficult position. But I don't think that that has anything to do with me. I do think that that is the motive that-- and the matter of trust, in terms of repayment. I don't feel that that is a problem. Now, if--

Q. I want to get an answer, a straight answer to the question.

A. I think you did.

Q. Well, you know, it was long and I'm not sure. The question is very simple. I'm going to move on. You said you were not speculating on the probability of making a substantial amount of money. And is it correct that what you meant by that was that you fully believe that you will make \$250,000 to \$500,000 or more as a result of telling a story to some media outlet at some time?

A. Okay. You seem to be grabbing for a sound bite here from Mr. Helewicz to use against me in the newspaper. And I think that's fine. I've read things by Mr. Helewicz, which are total lies, and--

Q. Can you answer the question instead of making a speech?

A. I've--

Q. No, no. The question is, when you said you were not speculating on the probability of making a substantial amount of money, did you mean by that that you expected to make a substantial amount of money as a result of telling your story to someone in the future?

A. I would never, never, under any circumstances, profit or make a profiteering or an ambitious or an overt effort to put my story in front of the American public, especially the children, who would possibly be financed by a tobacco company or tobacco industry, which I believe is wrong. I would never do that.

But if there was, in some case, an individual who wanted to do a documentary, who had some kind of good motive and could do it in such a way that it was not an advertisement for our kids and for tobacco to be used by our kids, and I could pay back Mr. Scruggs with that money, yes, I certainly would-- I would honor that kind of-- as long as I had some kind of supervisory role in that.

But at this point in time, I have signed no contracts. I'm not interested in signing any contracts. I would be very careful.

I do have a lawyer in Beverly Hills who-- as far as I know, who would communicate what kind of-- whose mother died of cancer, so I trust her, lung cancer from cigarette smoking, so I trust her. And if she is still interested-- I have not spoken with her in quite some time-- then I would certainly-- I would move forward.

After Judge Wine either retires from the

bench or is given an opportunity to make some changes in this so that I can come forward and speak.

But I really don't see how any of this would interfere. I mean, you have created a story for me, and you, and King & Spalding, and CEO Sandefur and people of that sort have created a story for me. They've created a story for Jeffery Wigand. They've created a story for a lot of other people. And those stories are eventually going to come out.

Q. Mr. Williams--

A. Hope I answered your question. I guess I haven't.

Q. Well, you really haven't, but we'll go on. Have you met with any of these packagers, as you put them, or agents?

MR. DeMOISEY:

Asked and answered, objection. He said three times, he had not met with them.

A. No.

MR. SMITH:

Q. Who is the lawyer in Beverly Hills who you have retained?

A. Linda Lechter.

Q. L-e-c-h-t-e-r?

A. L-e-c-h-t-e-r. It's Lechter, something, something, something. I don't know.

Q. Has any written proposal been made to you?

A. She has a fee agreement with me.

Q. I'm sorry. Any written proposal for any type of an entertainment--

A. No.

Q. -- use of your story?

A. For Linda Lechter?

Q. No. Has any written proposal for payment of money to you for you telling your story been made, formal written proposal?

A. I have not received anything that would be--

Q. Who is your friend that's the freelancer that you mentioned?

A. I'm just trying to think. He's not really a friend. He's just somebody I met. He took a photograph of me for the New York Times a few years ago, and he's a home boy, and-- it's-- I really-- it escapes me. I will try to think of it before today is over. I will give that to you if I can remember it.

Q. That would be fine.

A. We are not that-- we are not friends,

friends. It's just sort of like, I liked the man the moment I met him. You know, I sort of like-- this is a-- he's been going through some troubles.

Q. If you remember it, just let me know.

A. I will, sir. I will do that.

Q. Thank you. One question I forgot to ask you with regard to Scruggs, Millette. Do you work on tobacco cases for Scruggs, Millette?

MR. DeMOISEY:

The same objection. I don't know what the answer is, but I believe that that firm should be present here to protect whatever interests it has or cares to protect.

MR. SMITH:

Q. Are you going to answer the question?

A. I accept the advice of counsel.

Q. Now, you said earlier in this deposition that you believed that your first discussions with Mr. Scruggs with regard to getting a house for you were in May; is that correct?

A. Getting to the discussions, it was-- it was not exactly a discussion. I think it was sanctuary from the possibilities of death threats, of getting my children down here, my wife.

Q. Mr. Williams, I hate to interrupt you, but the question is is the date that I stated correct. Was it in May?

A. Did I give a date? I answered the question. I gave a date?

Q. Yes. I am trying to make sure that I recall it correctly.

A. It was sometime after the 6th of-- I believe there was a lot of activity going on. The--

Q. That's my recollection, is that you said it was after May the 6th.

A. I believe so. I am guessing because of the possibilities of, you know, after two-- has it been two years?

Q. Yes. And the reason I say that is I want to refresh your recollection. I want to show you Exhibit Number 2, which is a contract for sale of 1415 Diller in Ocean Springs.

A. April the 28th or somewhere in that area.

Q. Which is dated April 27, 1994.

A. Correct. Okay. Let me see that because--

Q. Yes. I would be happy to show that to you.

(Exhibit 2 was marked.)

A. Well, we will get into the-- whenever Sara was coming down here, and on the 28th, I believe--

You're right. That's probably more in line with that. This is correct. I will-- That's the correct date. Somewhere in there. But, now--

Q. So I understand--

A. But let me point out also that my child was in agony up there because of the phone calls and so forth, and things really got hot and bothered after the 6th. And so that was why I was recalling it. Surely, I-- this is--

Q. I understand it's been two years. So my question, after reviewing Exhibit Number 2, can we agree that discussions you had with Mr. Scruggs about providing you a house occurred in April of 1994?

A. In April, yes.

Q. Because it necessarily would have been before a contract was signed for the purchase of the house.

A. In a lease, a lease arrangement, yes.

Q. Well, you say in a lease arrangement, but on Exhibit 2, you signed the contract personally as the buyer, correct?

A. That's right.

Q. So there is no indication on the contract for sale that it was going to be a lease, correct?

MR. DeMOISEY:

Objection to the form of the question. The document speaks for itself.

MR. SMITH:

Q. Is that correct?

MR. DeMOISEY:

You can answer.

A. Okay. The signature was there because I was specifically-- M&S said, trust your judgment, go out and find a house that you think you can lease and you think would be a good place for your kids, et cetera. They were coming down on June-- on August 10; hence, the-- I took my money and I put it into that--

Q. You list your social security number on here as 463-04-6201, correct?

A. No. That is totally incorrect because I was-- I did not want-- at that particular time, I didn't want the harassment that had been going on in Louisville, Kentucky to continue on down here, and also--

Q. So is it correct that you gave a false social security number; is that correct?

THE WITNESS:

Should I answer that, Fox?

MR. DeMOISEY:

Objection to the form of the question.

MR. SMITH:

Q. Fine. Can you answer it?

MR. DeMOISEY:

The document speaks for itself.

MR. SMITH:

I don't know what the true social security number is.

Q. Mr. Williams, did you give a false social security number?

A. Well, under the circumstances, I guess that's true, yes.

Q. Now, when you say M&S told you to go out and find a house, who-- M&S is a company, but who told you to go out and find a house that was suitable for you?

A. Dick Scruggs.

Q. And did he give you a-- When did he tell you to go out and look for a house?

A. I don't remember.

Q. Sometime before April 27th, correct?

A. Well, when things were less troublesome, but they got really troublesome after the 6th, and so by this time, I just didn't-- I didn't really care, and so I don't remember exactly the date.

Q. All right. But sometime before April 27th, 1994, correct?

A. Sometime before that, yes.

Q. Now, did Mr. Scruggs give you a price limit on the house?

A. Well, I think that he wanted to invest in an area somewhere in the neighborhood of \$130,000.

Q. That's what he told you?

A. Well, because of houses, and the value here and certainly Ocean Springs, and the gambling, houses-- you couldn't lose money on houses. And I think he bought a lot of houses, a lot of property due to that.

Q. Well, my question is, how did you know that he wanted to buy a house in the \$130,000 range; did he tell you that?

A. Well, if you're going to get into a neighborhood which doesn't have a bunch of hooligans coming by and shooting out your windows, which is unlikely in Ocean Springs, you need to pay for it. So I suppose that \$130,000 is a reasonable price. That's what he wanted to invest, I guess.

MR. DeMOISEY:

Can we take about a two or three minute break?

MR. SMITH:

Let me get an answer to that question.

A. Is this in any way going to go into the federal jurisdiction? I have a question because it seems to me that that's one of the issues and there--

MR. SMITH:

Q. Mr. Williams, I asked you whether you understood that the house should be purchased in the \$130,000 range because that's what Mr. Scruggs told you. Now, is that right? Is it-- Did he tell you that?

A. He didn't tell me that.

Q. Well, how did you-- Who told you that you should look in the \$130,000 range?

A. The-- I figured the real estate market in Ocean Springs and, you know, if-- a safe place, sanctuary, somewhere in there. And I think I brought up the figure myself.

Q. All right. So, Mr. Scruggs--

A. Somewhere in \$110,000, \$100,000, something like that.

Q. So is it correct then that Mr. Scruggs didn't give you any price range or price limitation before you went out to look at houses; is that correct?

A. I don't know-- I don't recall discussing, you know, you want to go buy a \$100,000, \$130,000 or whatever-- I think he was just looking at the market in Ocean Springs. That's all.

Q. Well, were you simply told to go out and find a house that was suitable for you; is that--

A. To lease, yes.

Q. But there has never been a lease.

A. Does that bother you?

Q. I am asking you. Answer the question, please. Has there ever been a lease?

A. There has been no lease, no written form that I know of.

Q. And there has been no lease payment?

A. No lease payment.

MR. SMITH:

We can take a break now.

(Off the record.)

MR. SMITH:

Q. How long did you look for houses before you found the house at Diller Road?

A. Two days.

Q. And did you use a real estate agent?

A. Yes.

Q. And who is that? Was it Paul Dennis?

A. Paul Dennis.

Q. Now, Exhibit 2, which is the--

A. Correction. Paul Dennis, I think it was one day, and it was-- it was maybe less than a day. It certainly was less than a day.

Q. Now, although you signed the contract as buyer, the contract being Exhibit 2, when the sale was consummated, it was changed from you to M&S. Why was that?

A. I signed it because I had-- I had that particular house picked out because it was on my walking-- Well, I saw the house, and I signed it, and I was trying to get the house before somebody else got it.

Q. So just as a matter of convenience, because you were there with the real estate agent?

A. I wanted the house. I wanted to live in that house. And I had \$1000. And he said, you can see if the contract will go through.

Q. All right. Was the \$1000 earnest money you paid at the time that you signed the contract, was that money provided to you by Mr. Scruggs?

A. It was a loan that I got preparatory to working at Barton & Williams. And I think it was going to be taken out, as I recall, of my salary at Barton & Williams. That's what I understood.

Q. Was the \$1000 that you put down in earnest money in advance on your salary from Barton & Williams?

A. Yes. I thought so.

Q. And had Mr. Scruggs requested that Barton & Williams make that advance to you?

A. No. I don't know anything about that.

Q. All right. You just know that you-- Did you request that Barton & Williams advance money to you before you started to work?

A. That was my understanding, that I would receive some money before, and then it would be taken out over a period of months.

Q. All right. And from--

A. So I had approximately \$3000, I think.

Q. And who gave you the understanding that you would get this \$3000 before you did any work at Barton & Williams?

A. Well, it actually was a loan. I assumed it and it did come from Mr. Scruggs.

Q. The loan was from Mr. Scruggs?

A. Yes.

Q. All right. That's what I wanted to make clear.

And have you ever repaid that \$3000?

A. No.

Q. And is there any note or writing evidencing your debt to Mr. Scruggs for that \$3000?

A. Not that I know of.

Q. And when did you receive that \$3000? I mean, I assume it was sometime in April or before, but can you pinpoint it for me?

A. I think it was April the 28th. No, no. It was when I came down here. I think it was sometime on the week of-- I was down here on the 5th, 6th, 7th, 8th. It might have been the 8th or around there.

Q. Around March the-- I'm sorry. Around April-- no, March the 8th?

A. No. It would have been-- Yes. Wait a minute. Wait a minute. Let me-- Boy, I tell you, let's see.

Q. Yes. Let's get this straight.

A. April, April. It would have been April the 8th, yes.

Q. And what makes you think that?

A. Well, because I was-- that's just the date I recall.

Q. Well, is there something that keys you into that being the date?

A. I arrived here sometime on the 5th, 6th, or somewhere around in that.

Q. When you arrived on the 5th or the 6th in Pascagoula--

A. I didn't arrive in Pascagoula.

Q. When you arrived in Jackson--

A. In Ocean Springs.

Q. I'm sorry?

A. Ocean Springs.

Q. In Ocean Springs. When you came down here to Ocean Springs, was the meeting on April the-- was the occasion when you were made this \$3000 loan that you've testified about from Mr. Scruggs, was that the first time that you had met with Mr. Scruggs on that trip to Mississippi?

A. Say that again, please.

Q. You indicated that April 8th was the date that you got the \$3000 from Mr. Scruggs, and my question is, when you came to Ocean Springs or the Pascagoula area on that trip, was the 8th the first time that you met with Mr. Scruggs?

A. Yes.

Q. When was the time previous to that that you had met with Mr. Scruggs?

A. It would have been, as I've stated in the depositions before, at Irv's Delicatessen.

Q. So you didn't meet with Mr. Scruggs from your meeting at Irv's Deli until April the 8th, is that correct, of 1994?

A. That's correct.

Q. And at the April 8th meeting, you got \$3000, which you understood to be a loan?

A. Certainly it was a loan. It was to be taken out, as I understood it, from the work at Barton & Williams.

Q. Now, was it understood, when you were provided that \$3000, that you were going to use that as earnest money for a house?

A. No, not necessarily.

Q. Was it simply provided to you without any indication for the purpose it was to be used?

A. Well, at the time, I was-- I needed some kind of seed money to get-- I had a boat. I had a boat. I was living on a boat. And I had an apartment. That went to-- those went to those things, the apartment.

Q. Now, what led to this meeting with Mr. Scruggs where he gave you this \$3000? Did you call him around April the 8th and ask him for some money?

A. No. I don't recall that. I don't remember that one.

Q. You don't know how it came to pass that you two got together?

A. I probably called the office, yes.

Q. And you had not-- you had not seen-- you had not met with Mr. Scruggs since the Irv's Deli meeting back in March?

A. No.

Q. You did meet personally with Mr. Scruggs on April the 8th, 1994; is that correct?

A. Asked and answered, I think.

Q. And yes is the answer? I'm not clear that it has been. And let's just make it simple. Did you?

A. Yes. Yes.

Q. And where did this meeting take place?

A. It was at his office, one of his offices.

Q. And you say you had called him. And when you called him, what did you say to him?

A. Well, I wanted to make sure that I had a job at Barton & Williams, because we had discussed that at length. Not at length, at-- We had discussed that on the conversation that we held at Popeye's, which I've previously testified to.

Q. Now, was the meeting at Mr. Scruggs' office on April the 8th, 1994, was that set up shortly after Mr. Scruggs returned from Bermuda?

A. I have no idea when Mr. Scruggs returned from Bermuda. I don't even know if he was in Bermuda. I've testified to that because he just said it like I'm in Peelahatchee. I mean, that's the way it sounded to me.

Q. How long after the conversation from the pay phone at Popeye's was your meeting on April the 8th?

A. How long? Excuse me?

Q. How long after the telephone conversation at Popeye's was your April 8th meeting?

A. Okay. I previously testified that I left the boat yard, and that was the last day I was out there. I think I left the next morning. But that was in, as I say, March 9, somewhere, 10, something like that. And I went to Louisville with the thought that I had a job at Barton & Williams.

Now, it took me-- I think I spent two days. One day, I stayed with my mother, and then I went to Louisville, and I was there. And on or about the-- shortly after the DOJ-- Oh, yes. The Department of Justice hearing, in which they were intervening on the 31st-- I believe it was the 31st of March, I left Louisville. And I think it was the second "Day 1". I remember something about "Day 1" being preempted by Louisville, Kentucky's local station. So it would have been the day that "Day 1" aired, which I could actually pull up on the Internet and try to find out what that date was.

But I know that I left after that preemption of the second "Day 1" showing. Remember, we had the first "Day 1", and then we had the deposition on the 3rd. And "Day 1" had been shortly before that, I think.

Q. So, I just want your best recollection of the date.

A. That's it.

Q. Well, what is it? I didn't hear a date in there. Around the first of April?

A. I'm getting a little confused on the question again, so state it back.

Q. Let me see if I can ask another question and maybe we can--

A. No. Ask that question back so I can make sure I'm getting these dates because we've been over these dates and over these dates and over these dates in seven or eight depositions.

Q. Well, let me go back and find the question.

MR. DeMOISEY:

I think what the question was, you're looking for the-- what date did Mr. Williams and Mr. Scruggs last talk-- or talk between the Popeye's conversation and this April 8th date, if there was one, what I got out of it.

MR. SMITH:

Q. Let me go back because I don't think that was exactly it. It may be, but let me check. So hold on. Yes.

"How long after the conversation from the pay phone at Popeye's was your meeting on April the 8th?"

A. That's not a complete sentence. I don't quite understand it.

Q. How long after the telephone conversation with Mr. Scruggs at Popeye's was your April 8 meeting?

MR. DeMOISEY:

Which is another way of asking, what was the date of your Popeye's conversation.

A. Okay. The date of the Popeye's conversation-- as I said, I can't be absolutely sure. But I think the Popeye's conversation was around the 9th of March. Because I left the 4th-- I left after the 3rd-- the 3rd, we had a deposition, as I've said. Then the 4th, we had the compulsory counterclaim in '94, and then the 5th or the 6th, I left and I was in Jackson.

And then after Jackson, I went to-- I came down to the Gulf Coast. I stayed at Covacevich's. And I believe I had a contract with Covacevich to stay there for five days to work on my boat, or a week to-- No. I could stay there for longer but I only wanted to stay there for five days because-- So it would have been approximately the 9th of April-- of March that I left, went back to Louisville, stayed there, and did so for the purpose of the upcoming hearing with the Department of Justice as an intervening party in Maddox versus Williams.

Q. I don't need all of the background but I want your best recollection of when the phone call at Popeye's was.

A. I just gave it to you. Probably the 9th of March.

Q. Now, did you talk to Mr. Scruggs between the 9th of March and the 8th of April when you met with him in his office?

A. I don't think I did.
Q. What did you do in that intervening month? Were you employed?
A. In the intervening month between March--
Q. 8th and--
A. 9th and down here, no.
Q. I'm sorry.
A. No. I was not employed.
Q. You were not employed. But you've already said you didn't talk to Mr. Scruggs since your meeting at Irv's, which is in early March, and April 8th, 1994. Was the \$3000 that you got on April 8th, through Mr. Scruggs, was that the first money that you received from Mr. Scruggs?
A. It was the first-- it was a loan, and--
Q. Yes. I know that. You've said that. But whether it was a loan or a gift or whatever, was it the first money, cash in hand, whether it was a check or actual cash, that you received from Mr. Scruggs?
A. Yes. I believe so. I mean, I--
Q. Now, who-- Did you ask for that amount or is that an amount determined by him?
A. I'll tell you, let me think about this just a second because there was \$120 that I-- something about \$120 that I needed to get down there and start work, and I think that was sent to me by one of the secretaries, \$120 or \$100. I'm not sure.
Q. Now, are you telling us that when you were in Louisville, preparing to come back down to the Pascagoula area to go to work for Barton & Williams, that you needed travel money?
A. Yes. That's correct.
Q. And who did you call to ask for that money?
A. I asked, I believe it was Charlene Bosarge.
Q. And who is that?
A. Charlene is the private secretary of--
Q. To Mr. Scruggs?
A. Yes.
Q. And did she send you the \$120?
A. It was \$100 or \$120, yes.
Q. And that would have been before March 8th, before you left to come down?
A. Right. March 8th, yes. Uh-huh.
Q. Now--
A. It would have been between March 8th and April 2nd or whenever I left after the DOJ hearing.
Q. So you didn't actually leave to come to-- back to Mississippi until April the 2nd?

A. Well, as I say, I was there and-- I was there for the hearing where Judge Wine denied the Department of Justice to intervene. I'm sure you remember that. And the counsel for the Department of Justice was sitting over here at our table. You were over there with-- and to the best of my knowledge, that was the 31st. If we had a calendar, if you could pull it up.

Q. That's okay. But you think you left within a day or so after that?

A. Oh, yes, sure.

Q. That's good enough.

A. I know because I-- absolutely, I was at my mother's, which is on the way. She lives in Jackson. And then I pulled the boat out of the yard--

Q. It's okay. If you've given--

A. I'm trying to give you the details because details give me dates, and I'm sorry if I do ramble, but it's hard to go back over the same things that we've been over before and say--

Q. Well, if you think it was within a day or two of the hearing on the DOJ matter, that's good enough for me.

Now, from the time that you met with Mr. Scruggs at Irv's Deli in March of '94, until you met with Mr. Scruggs in his office on April 8th, 1994, did you meet with any other person in Mr. Scruggs' firm?

A. No.

Q. During the time after you met at Irv's Deli with Mr. Scruggs and through and including April 8, when you met with Mr. Scruggs at his office, did you meet with Mr. Ron Motley?

A. No.

Q. Or anyone from Mr. Motley's office?

A. No.

Q. From the time-- or after your meeting at Irv's Deli with Mr. Scruggs in March, and through and including April 8th, 1994, did you meet with any lawyer who you know to represent plaintiffs suing Brown & Williamson?

A. No.

Q. So is it correct then that after your meeting at Irv's Deli, the first time you got together with someone who you understood to either be representing or potentially planning to represent plaintiffs against the tobacco industry was your meeting with Mr. Scruggs on April 8th, 1994, correct?

A. Restate that, please. That seems like an important question, there.

Q. During the time after you met at Irv's Deli with Mr. Scruggs and through and including April 8, when you met with Mr. Scruggs at his office-- No. That's not it. Excuse me.

After your meeting at Irv's Deli, the first time that you got together with someone who you understood to be representing or potentially planning to represent plaintiffs against the tobacco industry was your meeting with Mr. Scruggs on April 8, 1994; is that correct?

A. You have that, and I've got to go off a little bit on this because, first of all, I didn't have a meeting with Mr. Scruggs. As I have stated before, my social contact and my social meeting was with Mr. Barrett. Mr. Barrett was there, and we had beers. Mr. Scruggs happened to be there. I thought his name was Mr. Skags. Now, it was not a meeting with Mr. Scruggs. It was not in any way interpreted by me as a meeting with Mr. Scruggs on the day that we are talking about, which was at Irv's Delicatessen.

Now, I hope that's clear. And it is to me because I thought he was with the FBI or with the tobacco company. I didn't even know who he was. I did know Mr. Barrett. And I did not-- I did not know that there was any kind of anticipated litigation in tobacco with Mr. Barrett. I did know Mr. Barrett's history. I knew that he had been squashed by the-- I think the Liggett group, Chesterfield, and that, as I have said before, that I felt an affinity for him because of his relationship with my mother and my father--

Q. Mr. Williams, I am going to object to you going through this story again. There is a specific question on the table, and you've asked me not to go back into the same matters again and I am going to ask you the same thing. Now, would you like me to read back the question?

MR. DeMOISEY:

I am happy to do that. Let me say this. Why don't you both do that. You keep going back over the same thing which causes the same redundant answers.

MR. SMITH:

Well, the question I've asked is--

MR. DeMOISEY:

How many times have you asked about Irv's Delicatessen? 999.

MR. SMITH:

No. I haven't asked a thing about what happened at Irv's Delicatessen. I'm asking what happened after that.

A. Not today. You have before.

Q. I would like to ask the question again, and I will stipulate that your definition of "meeting" may be different than mine. But when I say, "meeting", I mean when you were at Irv's Delicatessen and Mr. Scruggs was present. Now, having said that, let me find the question again.

A. Well, I have a different definition of what your interpretation probably is, but I know the last--

Q. Okay. After you were at Irv's Deli, when Mr. Scruggs was also at Irv's Deli--

A. In the room.

Q. -- the first time you got together with someone who you understood to be representing or potentially planning to represent plaintiffs against the tobacco industry was your meeting with Mr. Scruggs on April 8th, 1994; is that correct?

A. Well, it is not correct in the essence of your question.

First of all, you've got a subterfuge in there, in terms of these people being involved in the tobacco business. I did not know that there was any ongoing or pending litigation at any time prior to or during my sit-down with John Barrett on that particular day.

Now, as to what was going on, I knew that he had had, in the past, a relationship with the tobacco industry and it had not been successful. Mr. Scruggs, I thought was Mr. Skags. I had no idea that he had anything to do with the tobacco business, with the tobacco industry. And I made it very clear in my other depositions, very clear, that I didn't discuss-- well, outside of possibly my complaint, which is on public record, anything to do with Judge Wine's order, which covered everything from here to eternity, as far as tobacco.

Q. Now, I didn't ask you what you knew when you went to Irv's. I asked you after that meeting, based on what you know now about plaintiffs' lawyers and people involved in tobacco litigation, between your meeting at Irv's Deli and April 8, 1994, did you meet with anybody who you now know to be involved in litigation against the tobacco industry?

A. No.

Q. Boy, that wasn't so hard.

A couple of follow-up and to close out this house issue. Did you obtain authority from anyone at M&S or from Mr. Scruggs before you entered into the contract for purchase, which is Exhibit 2?

A. Authority?

Q. Yes. Did you call someone and say, can I do this?

A. Well, essentially, the person who was contacted was Charlene Bosarge, who I believe was secretary or something of-- I believe she is secretary of M&S. And I was concerned about whether or not a bank loan was going to be obtained. I was also concerned whether or not the rich asbestos lawyers, lawyer, lawyers predicate would be put into this as to an offering to the Myers, which was basically what that was about.

Q. Did Ms. Bosarge tell you that you had authority, that you had permission to enter into a contract for the purchase of that house?

A. No. I took a gamble. I mean, you know, as far as-- I had, at that point-- I felt like that M&S wanted to lease some property, buy some property to lease to me, and that was it. So--

Q. So you put down the \$1000 that Mr. Scruggs had provided to you?

A. It's his money.

Q. And there was a supplemental earnest money in the amount-- there were supplemental earnest money in the amount of \$1500, correct?

A. Correct.

Q. Was that out of the \$3000?

A. No. Because on the 28th, I was given a check-- or the 27th, I think it was, I was given a check for-- some time in that, from Barton & Williams, which was a-- the month that I had been there, and I took that money and used it, as I recall.

Q. So you used it--

A. For the supplemental \$1500, yes.

Q. You had already spent the rest of the \$3000?

A. No. I don't think I spent the \$3000. I don't recall. There was-- I was still obligated to an apartment. I had an apartment to pay for. And that was like \$550 or something. I had child support. No. I didn't have child support. I had my children. Money was spent, but I don't remember how much at any time. I basically was starting with nothing. My child was flying down, and a couple of other things. I don't remember.

Q. Now, in the settlement statement, M&S is listed as the buyer, and the address of M&S is listed at 1415 Diller Road.

A. I would like to take a little time off the record, here, and talk to you about something.

(Off the record.)

MR. SMITH:

Q. Mr. Williams, one other question following up on an earlier line of questioning, before I get back to the house. After your meeting with Mr. Scruggs of April 8th, 1994, when was your next meeting with Mr. Scruggs?

A. After April 8th?

Q. Right, which is the date on which he provided this \$3000 to you.

A. I've got to take a medication break here just a second.

MR. SMITH:

Let's go off the record.

(Off the record.)

MR. SMITH:

Q. Do you remember the question?

A. After April 8th--

Q. When was the next-- after April 8th, when was the next time that you met with Mr. Scruggs?

A. I believe that I had lunch with Mr. Scruggs on several occasions in between about the 8th, 9th-- I wish I had a calendar-- over at the LaFont. I had lunch with him and discussed, to a certain extent, the situation that I had, in terms of an attorney in Louisville, that being Fox, and that the attorney/client relationship had been impeded, to a great extent, and there were certain things that I would like to talk to my attorney about but I couldn't. I think he offered to represent me at one time. And I am going to guess that I had lunch with him two or three times, and that must have been the 9th, 10th, 11th, somewhere in there.

Q. So you met with him on several times shortly-- on April 8th or shortly thereafter?

A. Thereafter. There was the-- I think it was the meeting on the 8th, in his office, and then thereafter, I had lunch with him. And-- yes.

Q. Now, on April 8th, did you provide any documents or materials to Mr. Scruggs?

A. No, I didn't.

Q. On any of the lunch meetings--

A. Now, I might have supplied-- given him a-- something in the nature of the complaint explaining-- and the-- maybe the-- I don't know, maybe the order

that Judge Wine had entered. I'm not sure.

Q. Other than those items, did you provide any documents to Mr. Scruggs at your April 8th meeting?

A. No, not that I recall. That was-- basically, what it-- I was-- it was about employment and employment that I was convinced that-- on that particular time that if working at Barton & Williams, I would not be in any tobacco litigation. I wasn't really sure because of the asbestos. And he was trying to fit me into a law firm that would be-- that would work without interfering with Judge Wine's order, as I saw it. And that's the answer.

Q. So the answer is, you did not give any documents to Mr. Scruggs on April the 8th?

A. No.

Q. Now, at any of the lunch meetings following the April 8th meeting, did you provide any documents to Mr. Scruggs?

A. The-- During our conversations, I was caught between two different positions. One was that I could not discuss with Fox DeMoisey, my attorney, or with Ellen Morrison, a public citizen, what, if anything, I could say.

And when we had our turnover on the-- I believe it was following the January order of January 7th, 8th, Judge Wine's order, where the injunction-- the injunction, the release sought was granted, in terms of turn over all materials, my answer at that time was, it is what it is.

And not being able to discuss this with Fox or with Ellen Morrison, I would have first discussed it with Fox, the peculiar circumstance led me to the question of if there is something that I have to turn over to the court, how do I do this without the aid and the benefit of counsel. And since I was in a "Catch 22" situation, I met with Mr. Scruggs some times in or about the time.

I brought up the fact that there were existing documents out there that I knew that had to have come into the possession of Alan, Mr.-- I think it was Mr. Valenti, who is a-- investigating in New York, was with the FBI. And I felt like they were just kind of floating out there. And I really didn't know where they were. And I didn't know which or what documents were there.

And I, on or about the 15th of April, asked Mr. Scruggs if he would take custody of certain documents, and produce them to the authorities that he sought, and if not, to return them, put them

wherever. And-- into the hands of the proper authorities, I thought at the time was with either Congress or the FBI, but I wasn't a lawyer.

And basically, I was seeking legal advice where I was not allowed to seek legal advice. And I couldn't talk to my attorney about it, and therefore, I gave him the custody of documents that were to be considered by whatever legal authority that he deemed necessary.

Q. So you gave documents to Mr. Scruggs on April 15, 1994?

A. Approximately, yes.

Q. Where did you get those documents?

A. The documents were sequestered somewhere in Florida, and I didn't know exactly where, and through an investigation, I found them. I assumed that they were there. I never saw them. And they were picked up and they were given in custody to Mr. Scruggs.

Q. You gave them to Mr. Scruggs?

A. And somehow, they got into his airplane. I didn't give them to him. I mean, I didn't present him with them. They were there at the airport in Orlando.

Q. I thought you just said, on April 15, you gave documents to Mr. Scruggs.

A. I gave him the custody and the information that led to the documents, yes.

Q. Were you in this airplane in Orlando?

A. Yes, I was.

Q. And this was Mr. Scruggs' airplane?

A. Yes, it was.

Q. Who had possession of the documents in Florida?

A. That, I don't know.

Q. Who brought them to the airplane?

A. That, I don't know either. I didn't see it.

Q. What were you doing?

A. What?

Q. What were you doing? You said you were in the plane. Didn't you see who brought the documents?

A. Well, this is-- we landed at the private airport in Orlando, not the-- this was a little unusual situation. I had lunch in the private quarters and the-- I assume the documents were loaded on the plane.

Q. Well, you knew what was going to happen before you left to go to Orlando, correct?

A. Yes.

Q. How did you make arrangements for this to happen?

A. I asked Mr. Scruggs to take possession and custody and control of these documents until such time as I could figure out what was going on. And if he thought that the proper legal authorities should take possession of them, then he should do so. In other words, I asked for legal advice, and I assume that these documents ended up in the hands of the proper legal authorities.

Q. These were documents that you had had sequestered at some earlier time?

A. Yes.

Q. When?

A. I began to acquire documents in the early '80s, well, my early employment. I first became intrigued by-- obsessed by documents in the early part of 1988. And they were-- there were an ongoing-- when Congress was looking into, for example, the Luken hearings, a document would be called up from Brown & Williamson, and from John David Myles, I think. And I would raise my hand and say, I know where this document is. And no one seemed to pay any attention. The supervisor was Ernie Clements. And he seemed to be avoiding me. And I know that the issue was movie payola, and that the documents that were requested by Congress were not produced. I know this because of the hearings that were printed.

Q. Mr. Williams, the question is, what did you--

A. So I began to, as early as 1989, particularly with the Luken hearings that were going on, which I spent considerable amount of time outside of my employment thinking about what had happened on that particular day at Wyatt, Tarrant & Combs. And when I found that they were not producing documents, and certainly not producing them in litigation, I became very concerned.

Q. Now, what did you do to sequester these documents? Did you remove them from the premises?

A. I took them from the premises and copied them and then returned them.

Q. All right. Now, the copy of the documents that eventually you arranged for Mr. Scruggs to obtain, where did those-- who did you deliver those to to be kept sequestered?

A. Well, I maintained that the game would never be played properly, so I assume that I would

keep two or three sets of documents and keep them at various places. And in one case, I sent them-- and put them in a box and put the name Anthony Valenti on several boxes. I really had no idea whether they were-- some of them were duplicates of documents. Some of them were not. There were others out there. And I don't know. There still may be others out there.

Q. I'm interested in the three sets that you've talked about.

A. Three sets, there may have been four. I don't remember. And goodness knows, at this point, what's out there, I have no idea.

Q. Let's start with the three or four sets. Now, I want to know what you did with each set of documents. You say-- Did you send a set to Mr. Valenti?

A. Well, there were-- No. Because Mr. Valenti, I was not certain was actually at the time-- well, he contacted me after I left my employment in-- on March the 13th, 1992. And I believe he might have contacted me before that. I'm a little rough on that. But he represented himself as an FBI-- he was looking into the Council for Tobacco Research, Phillip Morris stock market and the statute of fraud, that sort of thing. And I wasn't really sure whether he was who he was. So I was a little bit-- it was a problem for me.

So the one thing that I did know is that documents have never been produced, during the time that I was there, especially as I pointed out, the Farmer's hearing. And right now-- I guess I shouldn't make any comments about Farmer's, the stock market and so forth. But I have before. And the players in there were not forthcoming. And in spite of the fact that the players were--
MR. SMITH:

We have to change tapes, Mr. Williams.
Can we take a short break?

(Off the record.)

THE WITNESS:

The knowledge that I had and the documents, I knew that if I had knowledge, it would be meaningless, and no one would believe me. And if there were documents, that they could be denied or, you know, the-- but if they got into the legal hands, the proper hands, then maybe they could be put together and assimilated and given some credibility.

In other words, I was thinking that your clients and some of the law firms, including your

own, were not producing in cases where definite requests were made, and especially in Congress. They were denying the congressional committees on Energy and Commerce their rightful charge, which was to investigate, particularly in the case of the movies--

Q. Mr. Williams, I apologize for interrupting you, but the question is a simple one. What did you do with the three or four sets of documents that you indicated you copied and that at least one or more of those were sequestered? All I want to know is what you did with the sets of documents that you made after you took them out of Wyatt's offices and copied them. What did you do with them?

MR. DeMOISEY:

Objection to the form of the question.

A. Well, in the matter of the documents that were produced for Wyatt, Tarrant & Combs in Maddox v. Williams or Williams and Maddox, et al, the documents that were produced to my attorney, Fox DeMoisey, were produced in the-- or produced to Mr. DeMoisey, the assumption was that the documents-- and I think it was true-- that any kind of-- my theory was certainly that it was either going to be denied that these were truly documents, and then someone didn't deny them. And-- which was quite shocking.

But the fact that there were other documents out there and that they were-- they had been moved from place to place, and I had a kind of-- I had a clue as to where I didn't want them, and I didn't want them to fall into the wrong hands because there was an injunction, and there was also the fact that I couldn't talk to him. But I also knew that I had to have documents in order to prove to Congress or to whatever investigative body there was that the tobacco industry had never been forthcoming, had been lying, and it wasn't just mendacity, it was pure lying. And they had substantially produced nothing for any case, any pending litigation, particularly in the case of Brown & Williamson.

Q. Mr. Williams, you have told me that you provided one set of documents to Mr. DeMoisey. That leaves three more. I would like to know--

A. Well, it could be four.

Q. I would like to know-- The question is-- and I don't need a speech. I need an answer to the question. For each set of Brown & Williamson documents that you took from Wyatt and copied that you've testified about, where did you put those, send them, what did you do with them? That's a very specific question. You've told me you've given one

set to Mr. DeMoisey. Tell me what you did with each set, not why, but what did you do with them.

MR. DeMOISEY:

Object to the form of the question, as to the part about taking them from Wyatt, Tarrant & Combs. I don't believe that's ever been established nor testified to.

MR. SMITH:

Q. Now, what did you do with the sets of documents that you had as a result of taking them from your work and copying them?

A. Yes. The-- I understand the question. And from the time that I began to take documents in 1989 or around that time, I continued to take documents throughout the period that I was there, and I did so at, I thought, you know, without any problem because of the supervision, lack of supervision.

Q. So you thought because they didn't catch you doing it, it was okay?

A. I don't think they were interested. I mean, they seemed to have-- if you consider-- I'll go into that, if you would like, but if you-- Catch me, no. I felt like I had a moral duty and an obligation to come forth.

Q. Now, what did you do with each set of documents that you made after you took these documents?

A. I intended to have them sent to a Mr. Valenti.

Now, I had them in my home at one time, at Bonifay Court. I had them in my apartment on Lake something or other, I forget, in '88, after my divorce with-- I had various documents that I left at-- without anybody's knowledge, in places in Jackson and in Florida. And I kept moving them around.

Q. All right. Now, I want to go through this in some detail. Did you maintain-- Let me ask you this: When did you start making multiple sets of the documents? Was it after you left the employ of Wyatt?

A. Multiple sets?

Q. Yes.

A. I had maybe one or two. I'm not sure.

Q. Well, let me ask it this way--

A. But, you see, the whole idea of documents-- I've got to say this because so much of this is-- I don't even recognize some of these documents. On the Internet, if you look at some of this, and you say this document describes so and so,

and you say, that looks like something that you might have seen. Or if you go into the hearings, the Waxman hearings, and you say, well, I haven't even seen this document.

Q. Mr. Williams, I am not worried about what you did or didn't see. I'm interested about what you did with documents that you took.

Now, the question is-- This is a different question.

A. Do you mean what various places--

Q. No. Let me ask the question--

A. -- did they end up? I don't know.

Q. Let me ask the question. We will get to that question. If you will let me ask it and listen, then we'll get through this.

Did you maintain personal custody of the copies of documents that you made while you were at Wyatt? Up until the time you left Wyatt, did you personally maintain control over the documents, copies of documents that you had?

A. I-- Yes. I would say I did.

Q. So you didn't start sending them out to places for safekeeping until after you departed Wyatt's employ, correct?

A. I was scared to death to the day.

Q. All you have to do is say yes or no to that.

A. That's a very difficult question.

Q. Wait a minute. Let me make sure-- I want to ask it as a very simple question. Did you provide any copies of documents that you had taken from your employer and copied, did you provide them to any third party, any other person before you left Wyatt's employ?

A. You mean Richard Daynard or somebody like that?

Q. Anybody.

A. No. Third party, not with-- I would secrete them someplace, and I did, and they were moved around considerably.

Q. Is this happening before you left Wyatt's employ or after?

A. Yes, both.

Q. Both. All right. Now, tell me each place that you put copies of documents that you took from your employment at Wyatt. You've told me Mississippi. You've told me Florida. And I will go into those. But I want each place that you put a copy of documents that you took while you were employed at Wyatt.

A. Well, as I say, one of the places was when I went out on the 13th, and I asked Ernie, if you wanted to look at these boxes, and he didn't. And I gave him a key. And I took those. And those stayed at home. And I didn't realize what some of that was about. That ended up in, I believe, in some part of Florida, but I don't know exactly where.

Q. How did it end up in Florida?

A. I don't know the man's name. I really don't know his name because it was-- I left it in a garage or a carport.

Q. Well, how--

A. And I knew the person who knew the person who knew the person. So it was sort of like a chain letter type thing that--

Q. Well, how did you arrange to leave these documents with this person in Florida?

A. Well, if I got killed, if I died and I was-- you know, particularly after the surgery, and secondly, I wanted to make sure that someone got these documents because I knew how the industry played. And they didn't play fair. So-- And if my children were threatened, I wanted to make sure. So I entrusted a friend of mine with a list of people to contact, and to-- and I had on the list people such as Subcommittee Chairman Henry Waxman, Richard Daynard, and Valenti, and Janet Reno. And I asked that if I had, in some way, that I died, first of all, if I was-- if either you guys killed me or I was--

Q. Mr. Williams, I haven't asked you--

A. -- if I died of natural causes due to my bypass surgery, then I--

Q. The question pending is how, physically, did you arrange to leave documents with a-- in a garage in Florida.

A. With other parties.

Q. Who?

A. Well, as I say, I don't know who they were. I-- My friend that I sent my letter to, I put the-- I gave the documents to my friend in a blind trust, and I think she gave them to an attorney. I don't know. And the attorney put it somewhere else, I don't know. I don't even know the name of where they ended up, but--

Q. Well, how did you go about retrieving them?

A. Retrieving them by calling and finding out if I could possibly put them in the custody of Mr. Scruggs.

Q. Who is the person that you-- that made these arrangements for you?

A. Dr. Nina Seltz.

Q. Doctor what?

A. Nina Seltz.

Q. And where is she located?

A. Dallas, I think.

Q. And did you ask her-- What did you ask her to do?

A. I asked her if I died, to find, locate wherever the documents were and-- or if my children were threatened or if I was threatened, such as getting a gunshot over the bow, which I did get, incidentally, the-- if the decision had to be made and I couldn't make it, then please send these to the proper legal authorities.

Q. Did you ask her to find a place where these documents would be sequestered?

A. No.

Q. Well, did you provide a set of the documents that you had taken during your employ at Wyatt to Nina Seltz? How do you spell that?

A. N-i-n-a S-e-l-t-z.

Q. Did you send a copy of documents you had taken to her?

A. No. I don't think I did. No, I didn't. I didn't send anything to her. I personally put them. And I did not describe what they were. I just had on the outside, Alan Valenti, Valenti.

Q. Well, how did you arrange to-- with her? Did you ask her to find a place where you could put them?

A. No. I just specified, under the conditions of death, if my children were harmed in any way--

Q. Mr. Williams, you misunderstood my question.

A. I'm giving you the conditions.

Q. No. I'm not asking for conditions. I'm asking, did you ask Dr. Seltz to locate a place of safekeeping on your behalf?

A. Well, the answer is, first, if you can put these boxes, not documents, boxes somewhere, and then later on came the description of what I thought should happen in case something happened to me and my children.

Q. Did you ask Dr. Seltz to find you a location where boxes could be maintained in safekeeping?

A. I wanted to-- I'm not sure whether I put

them in custody or not. It seems to me that I made the request of do you think you can find somebody to take these boxes, and that person can send them to somebody else, either-- I don't recall exactly how they ended up, but I knew that in some way or other, I could retrieve them if-- or they could be brought about if the conditions were met, in terms of my death, my children's threats or threats against my life or my wife at the time.

Q. Mr. Williams, I'm going to try it one more time. Did you or did you not ask Dr. Seltz to locate a place where boxes could be maintained in--

MR. DeMOISEY:

I don't know who I'm more-- You know, answer the question. Ask relevant questions. I mean, what does this have to do with nothing.

MR. SMITH:

All he has to do is say yes.

MR. DeMOISEY:

Well, you know--

A. Okay. Yes. Yes. Compelled to answer yes.

MR. SMITH:

Q. Thank you. Thank you. Okay.

A. Coerced under--

Q. And you made it clear to Dr. Seltz that you wanted the ability to be able to have these documents retrieved, if necessary?

A. Absolutely not. I made it clear that under certain circumstances, which I've asked-- I've answered, I've made clear to you that if your goons, if your hooligans, if any of the representatives of the tobacco industry who Janet Reno is currently investigating or Ms. Gorok, had anything to do with intimidating, harassing or in any way making an intrusion into my life and threats, and they seemed to be forthcoming, that a decision must be made on a piece of paper, which I sent at some point with names, which I said, if you can locate the party who has these boxes, please send-- make a judgment, send these to Congressman Waxman.

Q. And you sent this piece of paper to Ms. Seltz stating those conditions?

A. Yes, I did.

Q. Now, Ms. Seltz eventually located a place--

A. It's Dr. Seltz.

Q. I'm sorry. Dr. Seltz eventually located a place for you to put these boxes that contained copies of documents you had taken while you were

employed at Wyatt in a location in Florida; is that correct?

A. I do not know.

Q. I thought you said you physically took the documents to Florida.

A. I do not know if she found a location.

Q. How did you learn that there was a location?

A. Through the process of later asking Dick Scruggs to take custody, I investigated the matter.

Q. To whom did you deliver the documents that you eventually contacted Dr. Seltz to locate?

A. Would you repeat that, please?

Q. To whom did you provide-- Let me ask another question. Did you provide the boxes to Dr. Seltz directly?

A. Indirectly.

Q. And how indirectly?

A. Over a period of years.

Q. What do you mean?

A. Over a period of years, between 1989 and 1992, somewhere in there, documents were placed at various points, and in Jackson, in Florida, certainly in Florida and elsewhere.

Q. Well, how did the documents that you eventually retrieved for Mr. Scruggs get to Dr. Seltz?

A. Well, at one point-- and I think it was 1990, the fall of 1990. I'm not sure. I-- Let's see. It was-- It was either-- No. It was the fall of 1989, I had a number of documents that I brought, with Barbara Boriasky, down to Jackson. And Barbara was or was not aware of-- Barbara was, at that time, engaged to me, and she was my supervisor, as well. And I had a trunk load of documents.

And these documents were placed in the hands of an attorney who did not know what they were. And I merely said-- again, this was-- I put the word "Anthony Valenti" on it. I later collected the documents, I don't remember when, from his office, and then I took them to Florida.

So everything ended up in Florida at-- that I know of, and I never saw anything-- I never opened anything, so I don't know if that was everything or if what was-- it was-- the sum total of it or if there is a lot more out there. I don't know. I really don't. The point being, I felt like there was protection in that I was playing with these, and their games were pretty much proven over the last 40 years.

Q. All right. Mr. Williams, you personally delivered documents that you had previously left in Mississippi to Florida; did I understand that correctly?

A. Yes. I know we are dealing with interstate commerce problems here. Do you have an objection to this, Fox, or are we just fine and dandy here? I mean, do we care or--

MR. DeMOISEY:

Well, you know, if you want to let it rip, let it rip.

A. Well, first of all, it's sort of like-- if you're talking about contraband, you're talking about--

MR. SMITH:

Q. I'm asking--

MR. DeMOISEY:

Don't speculate. Just answer the question, please.

MR. SMITH:

Q. Mr. Williams, I am just trying to make sure I understood what you've already said. That you drove-- You left some documents with a lawyer in Jackson that you have subsequently picked up and took to Florida; am I right?

A. I think that's correct. That's the recollection of three years or four years, five years ago.

Q. And how did you know where to take them in Florida? Was that arranged by Dr. Seltz?

A. No. She didn't know-- I don't think she knew what was in the documents, and she certainly didn't know exactly where I put them.

Q. Well, how did you know where to put them in Florida?

A. Well, I think it's sort of like going into my sister's garage. If I went into my sister's garage, by analogy, and put something in her garage, she wouldn't even know it's there.

Q. No. Mr. Williams--

MR. DeMOISEY:

Could we take a break?

MR. SMITH:

We really need to take a break.

(Off the record.)

(The following text is off the video record.)

MR. SMITH:

Before we go back on, I would object to your client wearing signage during the video deposition that I'm taking--

THE WITNESS:

It's just a T-shirt.

MR. SMITH:

-- with the name of a deceased person who sued the tobacco industry some years ago. And this is my deposition, and I strongly object to him wearing signage as some kind of a statement in the deposition.

THE WITNESS:

Can we go outside?

(Off the record.)

MR. SMITH:

Before we go on the video, but on the written record, Fox, I've made an objection to this, and I would add to it that this is a continuation of a deposition that was in open court. And, of course, if he had tried to pull some stunt like this in open court, I don't think any judge, particularly Judge Wine, would put up with it. It's grandstanding to the highest degree. It is inappropriate. This video may be shown in a hearing or in a trial, and I don't think you would contend that Mr. Williams would be allowed to do this in a trial or a hearing, and so we need to deal with this before we go on.

MR. DeMOISEY:

Well, first of all, let me ask, my understanding was that this was a sealed deposition.

MR. SMITH:

That has nothing to do with this. It may be used. It may be made public. It may be used in a hearing. It is presently sealed. This is a stunt. And let's get to the merits and get off of this kind of crap.

Now, if you're not going to do something about this, we are going to call Judge Wine and tell him what stunt this guy is pulling this time. Now, if you want to do that, we can do that. Or we can deal with it rationally and not be in this kind of Mickey Mouse situation.

MR. DeMOISEY:

Well, first of all, it is a video deposition for one particular purpose, which the court has articulated, number one.

Number two, my client feels strongly about this position, and whether you think it is Mickey Mouse, concerning Mr. Marsee and his circumstances, you're entitled to your opinion. My client doesn't share it.

MR. SMITH:

If we are not going to put the sweater on

or change the shirt, we'll just call Ballantine and try to get Judge Wine on the phone, if that's the way you want to play it.

MR. DeMOISEY:

That's certainly your right to do.

(Off the record.)

MR. SMITH:

Well, we'll proceed without the video.

THE WITNESS:

I will object to that, Fox.

MR. SMITH:

It's not your deposition. Let's go.

THE WITNESS:

I will not participate in a deposition that starts with a video and does not have a video at the end. I'm sorry.

MR. SMITH:

I'm ready to proceed. Are you ready to proceed or are you going to leave?

THE WITNESS:

Well, until the video and until we've proceeded until the way we had intended it to be-- this was called a videotape, and under those conditions, that I've described to you.

We still need to know what your objections are. I don't have them. I don't know what he's talking about.

MR. SMITH:

Mr. Williams, I am going to start asking questions and you can either answer them or you can leave. But it's my deposition and the video is off.

THE WITNESS:

Well, it's my T-shirt and the video is going to go on if I am going to be present.

MR. SMITH:

Q. What I'm trying to get out of you is what you did with each of the copies of documents that you took and sequestered.

THE WITNESS:

Excuse me, Fox. We'll wait and see what Judge Wine says. That was the last pending issue, wasn't it?

MR. SMITH:

Let the record show that the witness has just left the room, on the record, while I'm asking questions. And if you would like to take a break and talk to your counsel, please do so. But otherwise, I am going to start asking questions.

MR. DeMOISEY:

Let's take a break, if we may.

(Off the record.)

MR. SMITH:

Let's go back on the stenographic record.

MR. DeMOISEY:

First of all, let me ask, when-- Did any of this get on the video record?

VIDEO REPORTER:

No. Since we went off the break at 12:54, it's not on the video.

MR. DeMOISEY:

You had an objection to Mr. Williams' T-shirt. I think the way that we can get around this is simply turn the video on, show what is the basis of your objection, you make your objection, I'll make my statements, the objection is preserved, and at that point, he will put his sweater on or something suitable and we can continue.

THE WITNESS:

I think if we do a front and back side, that would be fine.

MR. SMITH:

I am not going to have it on the video. We can state what it says without showing it.

THE WITNESS:

Could you state your-- He's got to state his objection.

MR. SMITH:

I agree with everything you said. We'll just state what the T-shirt says. It's two words and a date. We don't need to put it on the video.

THE WITNESS:

The date is on the back. That's the date of expiration.

MR. SMITH:

Let's go on the record.

I have objected to a T-shirt with the video on. The T-shirt says, on the front of it, "Sean Marsee". The T-shirt says on the front, "Sean Marsee", M-a-r-s-e-e, in yellow letters, on a blue background T-shirt. On the back of the T-shirt, it has a date, and the date, I believe, if you will turn around, is 2/25/84.

I have stated an objection. We have now stated on the record what the T-shirt says, and as I understand it, that you will now put on a sweater or something else so that we can proceed with the deposition.

MR. DeMOISEY:

The basis of the objection was, again-- Would you restate your objection?

MR. SMITH:

I have stated all I'm going to state. And we are either going to go on or we're not. I've made a lengthy objection and I've said all I'm going to say.

THE WITNESS:

Well, unless I understand what he's objecting to, for what reason, I don't think we ought to go on. We need to get, from Judge Wine, an opinion or whatever.

MR. DeMOISEY:

The original objection, when we first started, when Mr. Smith saw the T-shirt, is that on the record?

COURT REPORTER:

Yes.

MR. DeMOISEY:

It is?

THE WITNESS:

Which was?

MR. DeMOISEY:

Which was identifying who Mr. Marsee was.

THE WITNESS:

Did he identify him as a 19-year-old who died of laryngeal cancer? I don't know. Who had a year--

MR. SMITH:

Mr. Williams, there are no questions pending. This is a deposition where I am to ask you questions and you're to respond under oath. And I am not going to sit here and listen to you make a speech. It's my record and you can either answer my questions or not. And I am going to start asking them.

MR. DeMOISEY:

The point my client is trying to make is that this is a visual protest. This was a young man who, in my client's opinion, was a victim of targeting young people to be addicted to nicotine. That is his purpose for wearing it. I assume that is also your purpose for objecting to it. Obviously, you recognized the name before he hardly sat down.

But that having been said, the basis of the objection is that it should not continue with this on the video record. You have stated your objection. I have stated your position. And let us continue, if you would put your sweater back on.

THE WITNESS:

Okay. I just want to make one further comment, that it is warm in here. And my motive for

taking the T-shirt off-- I mean, the sweater off was that it was warm. And I certainly don't object to Fox making the statement that it's a political statement. I think it's a social statement.

MR. SMITH:

You've said enough speeches and I am going to ask the court reporter to stop transcribing until we start asking questions again.

(Off the record.)

(Back on the video record.)

MR. SMITH:

Q. Mr. Williams, the line of questioning I wish to pursue now is-- has to do with what you did with copied sets of documents, as you've described them, that you copied from the copies of documents that you took from Wyatt and had sequestered in various places.

Do you understand the line of my questioning?

MR. DeMOISEY:

Objection to the form of the question. You continue to say he took from Wyatt, which you know to be not true.

MR. SMITH:

Q. Do you understand the line of inquiry?

A. Documents that were taken from Brown & Williamson, I understand the line of inquiry there.

Q. Taken from Brown & Williamson's facilities while you were employed by Wyatt, Tarrant & Combs; is that correct?

A. That's correct.

Q. All right. Now, you have identified one set of documents that eventually made its way to Florida, and that you were able to arrange to have turned over to Mr. Scruggs. I would like you to start with the first thing that you did with that set of documents, those box or boxes, and tell me how those documents-- how you arranged and physically took those documents to a garage in Florida.

A. By car.

Q. All right. Your car?

A. Yes.

Q. Did anyone go with you?

A. No.

Q. And when did you do this?

A. I don't-- at various times. As I say, I'm trying to remember. I don't remember exactly.

Q. Did you deliver documents to this garage on more than one occasion?

A. Yes.

Q. When was the first time?

A. I don't remember, other than it might have been after I moved them from Jackson, which would have been the fall of '89, the-- up to 1982. I don't remember exactly.

Q. All right. Well, maybe I didn't-- wasn't clear in my question. I want to start with where the documents started in Louisville when you copied them while employed at Wyatt. And I want you to track those documents from when you had them in your possession, after you made copies of them, and track them for me, their route, from when you copied them to when they got to this garage in Florida. Can you do that for me?

A. Well--

Q. Can you do that for me?

A. I'm not sure I can.

Q. Well, do the best you can. Will you do that?

A. Well, I'll try. The sequence is so convoluted because there were different sets of documents and different kinds of documents, and, you know, what ended up in-- I don't even know what ended up out in, as we know, the University of California, San Francisco.

Q. I'm not worried about that. Keep focused, Mr. Williams. Keep focused on my question. My question is, the documents that got to Florida, that you took to Florida, that were copies of documents you had taken while in the employ of Wyatt, trace those documents that you took and you delivered to Florida for me.

A. Right. Subsequently-- Are we talking about the documents that ended up in Congress?

Q. We are talking about the documents that you arranged to be taken from their place of keeping in Florida and giving to Dick Scruggs on April 15, 1994. I want to know the route of those documents, from the time you took them, from your employer, until you arranged for Dick Scruggs to have them.

A. I can't give the specific dates because I don't remember.

Q. I don't want dates. I want the route. I want how it happened.

A. The route? What route I took?

Q. Well, you've got Mississippi involved. I want to know, step-by-step, how those documents got to Florida.

A. Well, I started working for Wyatt, Tarrant & Combs in 1988. I began to see documents that were

relevant to smoking and health that were not being produced. I took them piecemeal from the facility at 13th and Hill or 14th and Hill, and continued to do so over a period of four and a quarter years that I was employed there.

The last documents that were taken were taken on the 13th of March at approximately 11:30 in the morning. The documents were assorted documents, and I don't know if copies were made other than copies that I had. Some of these documents were thrown in trash cans.

Q. I'm only interested in the documents that got to Florida.

A. If we could put the documents on the table-- Here is the problem I have. I don't know what documents you're talking about.

Q. Oh, yes, you do.

A. Oh, no, I don't.

Q. Mr. Williams, I am asking you about what was in the boxes that you delivered to Dick Scruggs in Florida on April 15, 1994. I want to know how those boxes of documents got to Florida.

A. They got there by automobile--

Q. Starting-- I'm sorry.

A. By automobile.

Q. Fine. But start with where did they go-- where did those particular boxes end up-- where did they start from Louisville? Where was the first place they went from Louisville to eventually get to Florida?

A. Well, one group of documents went with Barbara Boriasky on the 27th or 28th of 1989. That was when I stopped smoking myself. We were engaged. She was my supervisor.

Q. She was your supervisor at Wyatt?

A. She was a Wyatt permanent employee. Yes. She was a supervisor, yes.

Q. And you and she travelled to--

A. We went to Jackson, and I left documents there. And I left them--

Q. Where did you leave them?

A. The lawyer's name escapes me. I just walked in. I said, will you take possession of these-- this box? And just give me a-- Varnado, Varnado, Harland Varnado I think was his name.

Q. Did you know him before you went down there?

A. Yes. I knew him.

Q. And did he ask you what was in it or--

A. Hell, no. He didn't know what was in it.

Q. He just took possession for you?
A. No. I just said nothing. I said nothing. I asked him to take possession, just take possession.
Q. And he did?
A. Yes.
Q. Now, did Barbara Boriasky know what was in this box?
A. Good question. I don't know.
Q. Did you ever tell her?
A. There were several boxes. I don't know. I mean, there were probably three boxes.
Q. Did you ever tell Barbara Boriasky what was in the boxes you were leaving with the lawyer in Jackson?
A. I think Barbara and I, over a period of time-- I think she knew that I was very, very-- I found more problems with this, and she may have known. She may have known.
Q. Did you tell Barbara what was in the boxes that you were delivering to Mr. Varnado in Jackson?
A. Was there a conspiracy between us? No.
Q. Did you tell Barbara Boriasky what was in the boxes?
A. No. No.
Q. No. You didn't tell her. Thank you. Now, were these boxes that you delivered to Mr. Varnado in Jackson, were they at least part of the group of documents that ended up in Florida that were delivered to Mr. Scruggs?
A. Yes. I believe they were.
Q. Were there other items-- other documents or boxes that ended up in Florida in addition to those that you left with Mr. Varnado on this trip with Barbara Boriasky?
A. That ended up with Mr. Varnado; is that what--
Q. Let me re-ask the question. I don't want there to be any confusion. Were there documents that ended up in Florida, which were delivered to Mr. Scruggs, that were in addition to those that you delivered to Mr. Varnado on the occasion of this trip with Ms. Boriasky?
A. Were there more documents?
Q. Yes.
A. No.
Q. Okay. So, all of the documents--
A. On that particular date.
Q. Right. Well, let me-- Let me see if I can get this clear. Is it correct--

MR. DeMOISEY:

Just ask him, were there more documents, other than what-- the first time you went down to Varnado's that ended up in Florida.

MR. SMITH:

Fox, I'll ask the question.

Q. Were the documents that Mr. Scruggs received from Florida, were those the same documents, and no more, as the documents that you took to Mr. Varnado's office?

A. No, because, quite frankly, they were-- I returned, I went to Florida on several occasions, and I brought other documents, including those, and I don't remember those dates exactly.

Q. I'm not asking for dates.

Okay. We are making progress.

A. But I don't know what was in those documents-- those boxes, because I don't know if it was the same thing or other things. Now, we've got a four-and-a-half year period of time here, or five years.

Q. We are going to work our way through this. We're doing fine. When you took some boxes to Mr. Varnado's office, I assume they were taped up in some way or sealed up.

A. Absolutely, with Mr. Valenti's name on it, the FBI man.

Q. And you subsequently retrieved those and drove them to Florida, yourself; is that correct?

A. No. I came back to Louisville or something. I believe I came down to see my mother, I picked them up and I brought them-- I took them to Florida. They were-- They might have stayed at my house for a while. I don't know. Other than getting to Florida.

What we've got here is we've got a whole different bunch of-- we've got a bunch of different documents.

Q. We are going to stick with the Varnado documents.

A. Well, we are, but it's difficult for me because I don't know what's in the boxes.

Q. I know it is. I know. Well, the documents you took to Varnado contained copies of documents you had taken while employed at Wyatt.

A. Some of them. Some of them.

Q. And they were sealed. And when you picked them up from Mr. Varnado, they were still sealed. They were the same documents that you had brought down to Mr. Varnado, as far as you know.

A. Yeah.
Q. Okay.
A. Guaranteed.
Q. All right.
A. He had no interest in them.
Q. And those same sealed boxes, you then drove to Florida, correct?
A. Yes, but not at that particular time. I came back to Louisville. And the--
Q. All right. Now, I want to stick with this. You took the-- let's call them the Varnado boxes.
MR. DeMOISEY:
Let's not. Let's just get to the bottom line, here. This is--
MR. SMITH:
Q. Now, you took those documents to Florida. Who arranged for the location in Florida for you?
A. Nobody arranged for a location.
Q. Well, did you just pick out somebody's garage, and walk up to it and put them in it?
A. That-- I think that that's-- I left them at Nina's, one of Nina's addresses, and then they ended up somewhere else.
Q. Who told you--
A. And I don't know where.
Q. How did you know-- How was it arranged that you would go to a place in Florida to leave these documents?
A. How was it arranged?
Q. Yes. You just didn't get in a car and drive to Florida one day. You had to know that you were going to a certain address in Florida. How did you know to do that?
A. Well, I went to Nina's.
Q. Does Nina live in Florida?
A. Yes.
Q. Well, I'm sorry. I thought you told me a minute ago she lived in Texas.
A. Well, she did then.
Q. Okay. So you went to Nina's, who then lived in Florida.
A. That's right, on several occasions.
Q. And did Nina take you or tell you where to go to put these boxes?
A. Hell, no. No. I just left them--
Q. At Nina's.
A. I left them there. They went somewhere else. I don't know.
Q. So you left them at Nina's, at her house?

A. For a short period of time. I assume they were there.

Q. And then she arranged for this place for them to be kept?

A. I don't know. They could have been stolen. They could have been picked up. I don't know.

Q. But you asked her to arrange for a place for them to be kept, right?

A. No. My only-- my only-- I said, this is serious material, and that I would like you to take it and hold it, and if something happens to me, I will later send you something so that-- And I did, especially in the summer of ninety-- when the intimidational factor kicked in, when it became apparent that this was a dangerous situation, the-- I gave her a list of people to send it to.

Q. All right. Now, you've told me that you took some boxes to Mr. Varnado, then you brought them back to Louisville for a short time, then you drove to Florida with those boxes and left them at Nina's.

Now, did the documents in those boxes, were all of the documents that you had taken while you were employed at Wyatt, were all of them in those boxes or there were some that you did not put in those boxes?

A. In the final analysis, after it's all said and done, I have no idea what's out there.

Q. Well, that's not my question, Mr. Williams.

A. Everything that I ever took ended up in there, and some of the things that I took I didn't even know I had taken. You know, because when I went out the door on March the 13th, I didn't know that-- I mean, really, you see, we used these things for garbage. And over a period of time, you know, the garbage would pile up. For example, a-- we had a number of taxonomies, and the taxonomies would get pitched. There was no policy about taxonomies. So one of the things that would end up, obviously, was the taxonomy.

Q. So the taxonomy ended up in--

A. In one of the boxes.

Q. Okay. Now, that was not a document-- The taxonomy was not a document that was returned through Mr. DeMoisey, was it?

A. I couldn't talk to him. I had no way of getting it.

Q. But you understood you were supposed to return all of the documents you had, didn't you?

A. I understood that I could not talk to my attorney because of a "Catch 22", and therefore, if I couldn't talk to him, how could I explain to him that there were other documents out there?

Q. So there were other documents that you had taken that you did not attempt to return?

A. Well, I did-- I certainly did if I could have been able to talk to my attorney. But when I said, "it is what it is", I said so because Judge Wine had basically tied me to a tree and said, you can't talk to your attorney.

Q. You didn't return the--

A. And if I had been out there asking questions, saying, is there documents and so forth, I had no idea what the consequences were. I don't know what the consequences are here. Except I was dealing with your dope, your dope, and maybe a judge might say, this is a guy whose got his contraband, and maybe the contraband-- the judge is going to offer, well, you've got his contraband, so give it back to him. And that's essentially the way I viewed it, but I couldn't talk to this gentleman.

Q. So you just decided not to return everything?

A. No, no. I wanted to. I certainly wanted to. But I had no lawyer. I had no lawyer. I had no counsel.

In addition to that, I had a very clear picture of how if Judge Wine had a proclivity toward protecting an industry-- and I'm not saying that he does-- but if he did in any way, that those documents would never see the day of light.

Q. So you chose not to return everything that you were ordered to return?

A. I was put in a "Catch 22", no choice situation. I could not talk to my attorney. You put that condition in there, or rather, Wyatt did.

Q. Now, let's get back to these documents that you took to Nina Seltz' place in Florida. How many trips did you make down there to take documents to her?

A. Two.

Q. And what did you take her the second time?

A. I have no idea.

Q. Was it more documents that you had obtained while employed by Wyatt?

A. My purpose was to seal the documents, to put Valenti's name on it or to put somebody's name on it, to later send or to have at some point a list of

people to have the documents sent to in case I died an untimely death, or having had surgery, that I've been through this and you've heard the answers--

Q. Were the documents that you took to Dr. Seltz on this second occasion copies of documents that you had taken from-- while you were employed at Wyatt?

A. Some of them were documents that were taken from the employment of Wyatt at Brown & Williamson's facilities.

Q. And were there some other things in addition to documents that you had taken while employed at Wyatt?

A. Well, I intended to-- I think that I was a-- at least as late as 1990, I was a subscriber to some of the congressional hearings that were going on. I was beginning to put together some of the patterns whereby-- and going back into the--

Q. The question is, what else was in the boxes?

A. Hell, I don't know.

Q. The only question is, was there material in this second delivery to Dr. Seltz that was in addition-- that was in addition to the documents taken from Brown & Williamson's facility by you? I think it's a simple yes, as I--

A. Well, it could be a simple yes. I could sit here and say yes to you all day and--

Q. Is it right? Is that right?

A. Well, we wouldn't know because I don't know what the documents are. You have to line them up, put them up on the table before I know what they are. Then I still might not recognize them.

Q. You took documents to Dr. Seltz twice. I'm asking you about the second occasion. You've told me that some of those documents, at least some of those documents were documents you took while you were employed at Wyatt. My only question is to get you to confirm that there were other documents delivered to Dr. Seltz on this second trip that were not documents taken from Brown & Williamson, if that's true.

A. Well, as I say-- Okay. I'm sorry. The hearings that were going on where the-- and they went back to the '60s-- Listen, if you want the answer, you're going to have to--

MR. DeMOISEY:

He just wants a yes or no.

MR. SMITH:

I just want a yes or no.

A. Okay. Yes.
Q. And did these include transcripts of congressional hearings?
A. Yes.
Q. Thank you.
A. Well, I don't know what he's into this, whether he knows, and that's why I do this.
Q. Now, approximately when was this second trip to Dr. Seltz?
A. I don't remember.
Q. What year?
MR. DeMOISEY:
I want to-- that's, my count, fourth time you've asked the question about the dates. Four times, he said, I don't clearly remember the dates. Let's move on.
MR. SMITH:
Q. That's why I asked for an estimate. And I don't believe I have asked about the second trip.
A. I don't remember.
MR. SMITH:
Is he going to be okay? He just took his microphone off.
VIDEO REPORTER:
It would be better if you had it on.
THE WITNESS:
Can you hear me?
VIDEO REPORTER:
I can hear you, but it would be better if you had it on.
THE WITNESS:
Well, you've--
MR. SMITH:
You can leave it there. Why don't you--
THE WITNESS:
See if you can hear me here.
MR. SMITH:
Q. Now, describe for me how you went about retrieving these documents or arranging for these documents to be retrieved and delivered to Mr. Scruggs.
A. On or about April 15th-- and I'm not certain of that date-- I travelled to Orlando. And this was in Mr. Scruggs' airplane. And I had lunch at the private part of the-- a sandwich or something. As a matter of fact, I don't think I ate anything. And at-- And shortly thereafter, an hour later, we left. And I believe-- I didn't see anything other than-- I didn't see anything loaded. I didn't see anything--

Q. Well, had you made a phone call to Dr. Seltz before flying to Orlando to make sure that she could deliver those documents--

A. Yes. Yes, I did.

Q. -- to Mr. Scruggs?

A. Well, I made a phone call to her and asked her if it was possible that they might be delivered-- the documents might be found and delivered to the airport.

Q. And so you flew with Mr. Scruggs expecting Dr. Seltz to deliver those documents, as you had requested her to do, to the airport--

A. I believe I used the term "boxes".

Q. So you went with Mr. Scruggs on the airplane to Orlando, having made arrangements for the documents that Dr. Seltz had sequestered to be delivered to Mr. Scruggs?

A. Well, Dr. Seltz, I don't think even had possession of these. As a matter of fact, I know she didn't. But I don't know who did. But she apparently did, and she was my source for getting them on the plane, I suppose. I assume they got on the plane.

Q. She didn't-- When you asked her to obtain these documents you left with her, she had no problem with that, did she? I mean, you--

A. I don't know.

Q. Well, no, I mean, she didn't argue with you that she wasn't going to do that? I mean, she did what you asked her to do, right?

A. Well, she has been a friend for 33 years. I suppose she wouldn't have any problem with it.

Q. All right. Now, when you were ordered to return all documents in your custody or control by Judge Wine, why didn't you get these documents from Dr. Seltz and return them?

A. Asked and answered, I think. I have asked my attorney-- I mean, I certainly tried to get to my attorney and to ask my attorney some questions, and my attorney, at all stages said, well, you know, we can't talk. We just simply can't talk. We can talk about the Reds, we can talk about, you know, what's the price of eggs at Bozo's, but we sure can't talk about anything else. And, in my opinion, he was telling me that we could not talk about documents, and I believe that was the way that the order was structured.

So how was I to know that I-- by sitting down and talking and violating the order with him, since he was part of the order, that I was not

violating the order to begin with? And besides, it was a logistic problem. How could I-- when you had ordered on the 7th, received your order, and you said, let's have the documents, everything you've got, let's have it tomorrow. Let's have it-- No. That's not good enough. Let's have it the next day. Okay. We'll make a compromise. We'll have it tomorrow. And how in the world could I, with the knowledge that I had that I couldn't talk to my attorney, couldn't explain, didn't know what problems I might-- and could not, by any circumstance, logistically move anything. Now, I hope you understand the problem and the dilemma and the "Catch 22".

Q. So you didn't think you needed to go and get documents under your control and give them to the judge? You didn't understand that?

A. I didn't have control.

Q. Oh, you didn't?

A. No.

Q. Well, you were able to obtain control and get them to Mr. Scruggs any time you wanted to, and you could have gotten them back yourself any time you wanted to.

MR. DEMOISEY:

Object to the form of the question.

That's argumentative.

MR. SMITH:

Q. Correct?

A. Maybe I took a giant leap and assumed that an attorney who was not my attorney and who may or may not have been under the jurisdiction of Judge Wine's order would want to do the right thing, and could be contacted, and might be able to get hold of these, and might have had some conscience that since the congressional hearings were going on that might have led him to take this forth and put it in the hands of-- when I asked him to take custody of something that I didn't know what my legal position was on, that he would act on it.

Q. So you didn't think you had custody of these documents--

A. And in that sense, I probably was violating the order. I don't know.

Q. Well, I think you're probably right. Now, that's one set of the four sets of documents that you've told me--

A. You said four. I don't know--

Q. You said three or four.

A. I don't know how many there are, quite

frankly.

Q. Well, you said three or four. That's one set. Now, what did you do with other sets of these documents or portions of sets of these documents?

A. Well, I say the-- a box was delivered to Fox DeMoisey in the summer of '94.

MR. DeMOISEY:

'93.

THE WITNESS:

'93. And the--

MR. DeMOISEY:

Could I make a suggestion? Just so we can get-- keep some control of-- we don't confuse how many sets there are, could we clear up that that was the box that was delivered sealed to my office that was, in turn, delivered to Wyatt, Tarrant & Combs so we can account for one serial and then move onto the others?

MR. SMITH:

Fine.

A. Maybe I'm misunderstanding you, here. You're saying that there are four sets of the-- four sets of four. In other words, there would be 16 sets out there, right?

Q. No, no, no. That's not what I'm saying.

A. Well, what I'm trying to do is get to-- there were never copies made four times, that I know of, of what I know to be documents that I took from Wyatt, Tarrant & Combs.

Q. All right. Well--

A. Through Brown & Williamson's facilities.

Q. Well, I misheard you earlier. Let's go through then.

MR. DeMOISEY:

No. You're hearing what you want to hear. He is trying to tell you something that's entirely different. That's why I'm trying--

MR. SMITH:

I'm not wanting to hear something. I'm wanting to understand.

A. I didn't make 16 copies. Okay?

Q. I didn't suggest that you did ever. Now, let me go back because this must be made clear. We have described a group of documents in boxes that got to Dr. Seltz' on two trips. So have we accounted for that group of documents?

A. I would say so, yes. Probably.

Q. Then there was-- Is there some question in your mind? You said probably.

A. I don't know. Someone could have made

copies of those documents and could have added to them. Greg Land, for example, or Barbara Boriasky could have said something or Jeffery Wigand.

Q. As far as documents that you know, got to Dr. Seltz, we've accounted for those, right?

A. We've accounted for what you're describing as documents. And as far as three boxes, four boxes, I don't-- I don't-- I assume there were four boxes, four boxes.

Q. Now, did you have any kind of an index or a list of these documents?

A. No.

Q. So there was a group of documents in boxes that got to Dr. Seltz. There was also a group of documents in a box or boxes that went to Mr. DeMoisey, correct?

A. Yes. And I think that that was more or less a-- it was-- there was a limited amount of documents that went to Mr. DeMoisey.

Q. That is, there were many more that were-- that you had delivered to Dr. Seltz than you had delivered to Mr. DeMoisey?

A. I would say that's true.

Q. And why didn't you deliver all of the documents you delivered to Dr. Seltz to Mr. DeMoisey?

A. Because I know how you guys play the game. You always somehow manage to lie and you never produce anything. And I felt like if there was an ongoing investigation, and having been trained by you a little bit, and trained a lot by myself, and having seen the ongoing crimes, particularly Farmer's Insurance, et cetera, I felt like it was my moral duty-- I know you don't understand that exactly-- but I felt like it was my moral duty to protect at least a foundation of the way that the law is practiced in certain corporate areas. And, certainly, those who had defended the tobacco industry for 40 years had not played by the rules. And I felt like if they could confirm in some way that their lies were lies, and that they would do something foolish like-- essentially, the--

MR. SMITH:

Q. Well, Mr. Williams, to get-- the answer to the question is, you didn't give Mr. DeMoisey everything that you had taken down to Dr. Seltz, correct?

A. I couldn't. I didn't.

Q. Why not?

A. No. The answer is, I did not.

Q. All right. When you gave this group of documents to Mr. DeMoisey, that was not all of the documents that you had taken to Dr. Seltz, did you maintain-- Well, let me withdraw that.

Did you maintain a copy of what you gave to Mr. DeMoisey yourself?

A. No. No. I didn't have-- I did not.

Q. All right. Now, of the documents that you didn't give to Mr. DeMoisey that you had given to Dr. Seltz, did you maintain those documents, a copy of those documents, yourself, in addition to the copy that had gone to Dr. Seltz?

A. No. Repeat the question. You've got me a little--

Q. Yes. I'm just trying to understand. You delivered a bunch of boxes of documents to Dr. Seltz, and those were delivered down there before you delivered anything to Mr. DeMoisey, right?

A. Yes.

Q. Of course. Okay. Now, when you delivered the documents to Dr. Seltz, did you keep a copy of what you had given to Dr. Seltz for yourself?

A. I kept a selected copy for a short time, yes, and on the basis that I was writing an affidavit in expectation of death. And some of these documents were public documents. As a matter of fact, a great deal of them were public documents. I kept very few and then I got rid of them.

Q. Well, where did you get the collection of documents that you gave to Mr. DeMoisey?

A. Well, I got those documents from the second floor of Brown & Williamson's research facility.

Q. Maybe I wasn't clear. If you only kept a few or selected number of documents after you took the documents to Dr. Seltz, and then I believe you said you got rid of those, where did the group of documents that you subsequently gave Mr. DeMoisey come from?

A. Well, I had a-- as I say, a selective group of documents, and from those, I had that in the summer of '94--

MR. DEMOISEY:

The summer of '93.

A. '93, '93. Okay. And from that, the-- you know, I constructed-- I might have-- I constructed from that and the public hearings, et cetera, the narrative.

MR. SMITH:

Q. All right. Now, you provided Mr.

DeMoisey, my recollection is, several thousand pages of documents, correct?

A. No. In the federal court, you're saying 600.

Q. Can you add documents?

A. Well, you can certainly confuse Judge Gex because-- and you've confused me, too.

Q. Yes. That's pretty obvious. You've testified that you had a selected number of documents that you retained after you took a copy of documents to Dr. Seltz. My question to you is, were those selected documents that you retained, were those the documents that you subsequently gave to Mr. DeMoisey?

A. I would say, by and large, yes.

Q. Well, you say, by and large. What other source was there?

A. Well, there were quite a few documents. I have a library, still have a library of documents that come from the Waxman Hearings, Energy and Commerce before the Republicans took over.

Q. Let me ask my question so we can get a clear answer. Of the documents that you took from-- that you took while employed by Wyatt and gave to Fox DeMoisey, were those this group of selected documents that you retained to work on this affidavit?

A. Well, the affidavit was actually-- I mean, I started this at various stages, and I can't really remember exactly-- our conversation came up prior to the order of Judge Wine, and I think that both Fox and I were concerned about our lives and our families. And not necessarily Wyatt, Tarrant & Combs, but certainly some other law firms, Shook, Hardy & Bacon.

So in writing the affidavit, it took stages-- I wrote this in stages.

Q. Mr. Williams, I am not asking you about the affidavit and writing it. Let's get on with this.

A. I had to have something to write it with.

Q. All I'm asking you is, are those the documents that ended up with Fox?

A. Some of them, yes, to the best of my knowledge.

Q. Now, you gave this group of documents to Fox. What did you retain? Did you retain a copy of what you gave to Fox?

A. For a short time, I did, yes, but not exactly the same. I mean, they weren't the same, no.

Q. All right. You retained some documents that you had also given copies to Mr. DeMoisey.

A. Yes.

Q. Now, what did you do with those documents that you retained?

A. I-- To the best of my knowledge, the-- I burned them.

Q. You burned them?

A. I got rid of them, yes.

Q. You burned them?

A. Yes.

Q. And so-- How long was that after you delivered these documents to Mr. DeMoisey? Was this after the injunction?

A. No, no, no, no. No. I was-- I was afraid that, really-- Well, I certainly-- it was in the summer of '93, I think.

Q. Why did you burn them?

A. Well, it was someone else's dope.

Q. So, is it correct then that in some time in the summer of 1993, after you burned the documents that you had, that you no longer had personal possession of any documents or copies of documents that you had taken while you were employed at Wyatt?

A. No, I didn't.

Q. That's correct, what I just said?

A. Right. However, I still don't know if there is other documents outside and in Florida because I really don't know how much I accumulated. I know that there were the documents I mentioned. There were others.

Q. Well, you know that the documents that you gave to Mr. DeMoisey, all of those documents were documents that you took while you were employed at Wyatt. We know that much, don't we?

A. Yes. And I'm somewhat selective, I think.

Q. And you know that there were, indeed, more documents that you took while employed at Wyatt than you gave to Mr. DeMoisey. We've already established that.

A. Oh, yes. We've established that.

Q. And it was your intention and you made your best effort to get all of the documents that you had taken from-- while employed at Wyatt to Dr. Seltz in Florida, correct?

A. Yes. I wanted a central clearinghouse, where if something happened to me, there would be a basis for tracking them down and giving them to the legal authorities, which they ended up with.

MR. SMITH:

I need to take a short break.

(Off the record.)

MR. SMITH:

Q. So is it correct that in the summer of 1993, after you had burned what documents you retained, that all of the documents and copies of documents that you copied while you were employed at Wyatt were either-- had either been delivered to Dr. Seltz or to Mr. DeMoisey?

A. There were-- the answer to that is no, exactly, in the sense of documents. There were other things, such as computer disks. And they are very illusive, and as I've pointed out, the-- I suppose the computer disks, or two or three or four-- I had some computer disks that were my own, and I don't know if they were in the boxes or not because I never saw the boxes in Florida.

Q. Well, did you put any computer disks in the boxes, in the materials that you delivered to Dr. Seltz?

A. Yes.

Q. And what did these computer disks contain?

A. Various information that I had accumulated over four and a half years, summaries, essentially. The-- I can give you summaries. My thoughts, my-- I took a daily diary that I put on the computer, some of it daily and some of it weekly. I was obsessed with the-- with the problem that had not been solved for a number of years, and especially in the congressional-- I think--

Q. Mr. Williams, we are getting off track again. Let's keep on the question. The question is, with regard to documents, papers or copies of papers--

A. Documents.

Q. -- okay, pieces of paper that were copies of things that you had seen while you were employed with Wyatt, in the summer of 1993, after you burned the documents in your possession, is it correct that all other copies of documents you had taken while you were employed at Wyatt were either-- had either been given to Dr. Seltz or Mr. DeMoisey?

A. Yes, but there is a caveat there because I don't know of-- I don't know-- I say-- Okay. The answer is yes. Yes. Boxes, yes.

Q. Now, other than to Mr. DeMoisey or to Dr. Seltz, had you delivered any copies of documents that you had sent, that you had taken while employed at

Wyatt, to anyone else?

A. No.

Q. So, if documents that you took from Wyatt, while you were employed there, were released to the public, their source would have to have been either the documents that you had delivered to Dr. Seltz or the documents you had delivered to Mr. DeMoisey, which we do not contend he released in any way?

MR. DeMOISEY:

I will make this representation to the court that the documents that were delivered to me in the summer of '93 came sealed, and they were Zip Expressed to Wyatt, Tarrant & Combs.

MR. SMITH:

I make no misrepresentation and I wanted to state that on the record.

Q. Can you answer the question?

A. Would you repeat it, please?

Q. Yes. I'm excluding the documents that you delivered to Mr. DeMoisey, as Mr. DeMoisey has just stated. Is it correct that documents that have been reported-- is it correct that any documents that you took while you were employed at Wyatt that have since been made public necessarily came from the group of documents that you delivered to Dr. Seltz?

A. That has since been made public? Boy, that's a difficult one. There is an awful lot of public out there. I don't know how to answer the question. I can't answer it. No. I don't-- I can't answer it. I don't know. I don't know.

Q. Well, if a document that you took, a copy of a document that you took while you were at Wyatt was released to the public, and assuming it didn't come from Mr. DeMoisey, then it had to have come from the group of documents that you delivered to Dr. Seltz, right?

A. I would say that that's a-- that wouldn't be a rare or an unusual statement. I think it might be a fair statement, but not everything. For example, I-- you know, something Dr. Wigand might have released might have been out there in the same period of time that we--

Q. And my question was meant to make sure that I was only talking about things that you took and that came from the group that you took must have-- if they were made public, must have come from Dr. Seltz, the group that you sent to Dr. Seltz, because you said you didn't give copies to anybody else; isn't that right?

A. Yes, true. Now, but disks are a different

matter. You know--

Q. Well, I'm going into disks right now. You say you kept a diary. Was that hard copy or was that on a computer?

A. Well, a computer has a hard drive.

Q. No, no, no. You said you kept a diary.

A. Oh, a hard copy.

Q. My question is, you kept a diary. Was it written on paper or was it on computer?

A. Oh, you mean, did I turn it off on print and--

Q. No. You said you kept a diary, right?

A. Well, it's somewhat of a diary, yes.

Q. Was that something that you just wrote down every night in a book of some kind or on a piece of paper?

A. Well, yes. To a certain extent, yes.

Q. So it was something that was hard copy and it wasn't something that you every day typed in the computer? It was a written diary?

A. Sometimes I typed it in the computer and sometimes I didn't.

Q. Now, do you have a copy of that diary?

A. Well, the substance of it ends up in the narrative, which nobody has read, but--

Q. Do you have a copy--

A. Do I have a copy of the little pieces of paper and that sort of thing? Is that what you mean?

Q. You said you kept a diary.

A. No, no, no. I didn't tell you diary, like, you know, a flower on it, and, you know, this is a diary, I didn't do that. What I did was, I took pieces of paper and I would scratch out things, like this, scratch it and say, this is so and so, Ernest Pebbles took \$50,000 to the campaign of Ronald Reagan in cash and gave it to him, and talked to Wendell Ford and see if he can't get him to change the FTC. Just little notes like that.

Q. So these were notes that were of substantive information that you had gleaned from the documents?

A. Yes. Newt Gingrich goes to Macon, Georgia, and gets \$8000 and walks away with it, and that sort of thing.

Q. And you were taking these notes so that you could record that in some type of a writing at a later date?

A. Well, to reveal to the public how strongly the political lobby has affected our lives, in

particularly, our children, and will until it's changed.

Q. What did you do with all of these pieces of paper; are they still in existence?

A. At the advice of my therapist at the time, when I did the burning of those duplicates, I burned those pieces of information, which were really supplemental to what I was-- had already pretty much put down, in terms of my affidavit in expectation of death.

Q. Is the narrative, as you've called it, the same thing as this affidavit you have referred to?

A. Yes.

Q. The same thing. And--

A. Well, it's called "Intent to Deceive", and it has chapters and so forth. I intended to publish it, if publishable, but it never got finished.

Q. Have you ever submitted it to anyone for publication?

A. No.

Q. Did you tell me-- Did you say-- Did you imply that your therapist advised you to burn these materials?

A. Well, I don't-- I suppose you can go to interrogating him. He's going to be hurt personally.

Q. No. You said something about that.

A. Yes. My therapist advised me to get rid of the obsession in any way I could. And some of the things-- it wasn't like he was saying, you know-- it was more along the lines of a sincere interest in what was driving me batty. And if I could somehow get rid of the obsession, which I have managed to do, with the exception of every time I see you, then I-- I'm kidding with you there. I'm getting a little-- the-- it took the relief out to some extent. It took the sting out a little bit, you know.

Q. Now, what was on the computer disks that you delivered to Dr. Seltz?

A. Well, there were the matters that were-- that I've discussed, those notes that I did actually put on the computer. There were a number of other things, but--

Q. Was the narrative on one of the disks?

A. I believe it was on several of the disks, yes.

Q. But that was a--

A. In pieces and in stages, you know.

Q. But a computer version, a computer disk version of the narrative was part of what was

delivered to Dr. Seltz, correct?

A. Yes.

Q. And also, perhaps, a computer version of some of the notes that you used to make the narrative, also?

A. Uh-huh. Uh-huh.

Q. You need to say "yes" out loud.

A. Oh, yes.

Q. And what else was on computer disks that was sent to Dr. Seltz?

A. Well, I think that's it. That's it.

Q. Now, did you maintain copies of these computer disks that you delivered to Dr. Seltz?

A. No. But I have no way of knowing whether they were copied or someone opened a box and copied it or so forth. So I don't know what's out there.

Q. Well, you know whether or not you kept any copies, don't you?

A. Sure.

Q. Did you?

A. No. I don't have any.

Q. And so when you sent those disks to Dr. Seltz, you had no ability to recreate those documents through the computer?

A. To create what I had written down?

Q. Yes.

A. You've got my computer.

Q. Well, I guess my question is, after you sent these disks to Dr. Seltz, was it still on your hard drive so you could pull it up and look at it?

A. I think that that-- the hard drive was-- I suppose you could technically have done it. I think it was down, at that point, in the summer of '93. It was down. And I downloaded it or it was destroyed by lightning or whatever. But you can always pull those things up, as you well know.

Q. Other than the disks that you made to send to Dr. Seltz, did you ever make any other floppy disk versions of either your notes or the narrative?

A. I probably made copies, but over the years, you know, I couldn't-- I've either thrown them away or dumped them or something, you know, basically.

Q. Other than to Dr. Seltz--

A. Before.

Q. Other than to Dr. Seltz, have you ever given any computer disks that contained any of this information to anyone else?

A. What information?

Q. Information that was obtained while you

were employed by Wyatt.

A. Are you talking about what was on Ernie's computer?

Q. Let me ask you another question. The information that was on the disk that you provided to Dr. Seltz, let's stick with that for right now. Okay?

A. Okay. Sure.

Q. Did you ever provide any of that-- any of the information on those disks to anyone other than Dr. Seltz?

A. I don't think Dr. Seltz-- First of all, I didn't provide it to her. I just-- I gave a box, and I think part of it had something-- had some disks in it. And if it got to somebody else, I don't know.

Q. Did you give--

A. No.

Q. Now, did you ever provide any computerized information, in the form of a disk, to anyone containing information that you obtained while employed by Wyatt?

A. Be specific, please.

Q. Okay. I want to know any information that you gained as a result of your employment at Wyatt, working on behalf of Brown & Williamson, did you ever give any such information to anyone by means of computerized information?

A. Did I transfer data to someone else?

Q. Right.

A. No, not related to computer-- I mean, not related to tobacco, other than, you know-- well, I-- The answer is no. No. I can't think of anything.

Q. Well, you seem to have some confusion in your mind.

A. I have a lot of confusion in my mind. It's been a long time.

Q. Well, there are two ways that you could have provided information to other people, that I'm aware of. Three ways, I guess. You could have given them paper, copies of things, writings. You could have told them things or you could have given it to them in magnetic form.

A. Right.

Q. So you've told me that every piece of paper that you gave things to either ended up with Dr. Seltz or Mr. DeMoisey. Right so far?

A. Yes.

Q. Okay. And so now I'm asking, everybody who you gave any information in a magnetic form to, so far, you've told me Dr. Seltz and Dr. Seltz

alone.

A. It was in a box. I didn't give it to her but it was in a box.

Q. In a box that you--

A. And I don't recall any information being transferred via the Internet or whatever to anybody. No.

Q. During these several lunch meetings with-- or luncheons with Mr. Scruggs following April the 8th, 1994, tell me how the subject of getting these documents from Florida came up.

A. Well, one, casual lunch conversation. I am really seriously concerned about documents, information, things that are pertinent to the ongoing investigation with Congress. At the time, there was Henry Waxman, there was the CEO, a number of things that were going on. My thoughts, particularly, were--

Q. Well, I'm not interested in your thoughts. I've asked you about conversations. Did you discuss with Mr. Scruggs the existence of the preliminary injunction in Kentucky?

A. I discussed not necessarily-- now, I don't recall discussing the preliminary injunction. What I discussed was the fact that I couldn't have no attorney/client relationship with my attorney. How do I solve this problem.

Q. And that was something that was contained in the preliminary injunction.

A. Essentially, is there a higher moral purpose here. Where might I go to find-- to take this to a point of legal concern, where I can-- I can relieve myself of the custody of this without being in trouble, although I could not deliver, I couldn't turn it over.

And as I understand it, the position would involve two things: One, if you gave custody of this information-- and I'll call it information because that's what it is-- to-- if you gave information to a lawyer, how does that-- what position does that lawyer take? Does he take the position that he has a moral responsibility, a legal responsibility, a bar responsibility to turn this over to an authority of such, such as the Attorney General of Mississippi or the Attorney General of Minnesota, or to Congressman Waxman? Who makes these decisions? Does Judge Wine make these decisions? Who has jurisdiction over Judge Wine? What I couldn't understand was why I couldn't talk to this man.

Q. Who went with you to Orlando to get the

documents? Mr. Scruggs, right?

A. Well, yes, but I think--

Q. And you, right?

A. Yes. And I think that the trip was--

Q. The pilots.

A. Yes.

Q. Who else?

A. That was it.

Q. That was it?

A. Well, Diane, his wife.

Q. Diane, his wife, went?

A. I think that they were going for a vacation to Destin, and they were going to stop there, but there was bad weather, and the-- it went onto Orlando, had lunch and came back.

Q. He was going to stop and leave her in Destin?

A. No. I think they were both going to stay in Destin.

Q. And you were just going to go on alone to get the documents?

A. I was going to go there and stop wherever the pilots were going.

Q. And get the documents?

A. Yes, essentially.

Q. And it's just coincidental that the weather was bad, so Mr. Scruggs went with you to get the documents?

A. Well, my understanding was that he was-- and we did go and circle Destin. I know that they were going to get off in Destin. I don't know. There might be a difference. I had asked him to take custody of this, and the-- I never saw them. They were apparently loaded on the plane in Orlando.

Q. Well, now, you went-- why did you choose not to look at the boxes?

A. I didn't choose. I just didn't see.

Q. So you were to go by yourself to get boxes of documents you had left with Dr. Seltz to deliver to the custody of Dick Scruggs, but you never looked at them, correct?

A. No. I never looked at them. Why? Because, first of all, there is an element of trust when you've known somebody for 33 years, I guess. And I have excruciating-- I mean, as far as the reputation of Mr. Scruggs, it's impeccable.

Q. So you have every reason to believe that Dr. Seltz, because of your relationship and knowledge of her, delivered exactly what you delivered to her to the airplane and to Mr. Scruggs' possession,

correct?

A. Well, it might have been a load of candy, but I don't know. I think it was your dope.

Q. But that certainly is your belief, right?

A. I have every reason to believe that there is a 50/50 chance that your contraband, your dope was delivered on that plane.

Q. That's what you asked Dr. Seltz to have arranged and that's what you believe happened.

MR. DEMOISEY:

Objection. That's like, what, 57 times you've asked that question? Let's move on.

MR. SMITH:

Q. Now, after this trip to Orlando, where these documents were delivered to Mr. Scruggs, have you seen them?

A. Have I seen them?

Q. Uh-huh.

A. Well, it's hard to avoid them on the Internet. I don't know if I'm seeing the same documents or if I'm seeing pieces of something. I've been curious as to what's there, so I-- they scratch up and it seems to be something that-- I mean, I-- I haven't done a proficient search of that. I do know that the-- that there are a number of locations that are documents that have been declared public domain by University of California, San Francisco.

Q. Mr. Williams, you're not answering my question.

A. I thought I was.

Q. The actual documents, pieces of paper that were put onto the plane at your request and provided to Mr. Scruggs, have you seen those documents?

A. The documents that were put into--

Q. -- those pieces of paper.

A. The documents that were put into the custody of Mr. Scruggs, I have not taken a look at. I have-- I think on the-- at some time, at some point, I took a-- I met with the Attorney General of Mississippi, and the Attorney General of Mississippi is-- had a very short conversation with me. I had never seen him before. And hell may freeze over before you get that information, because I believe he's sacrosanct, as far as any information between me and the Attorney General.

Q. What did you say to the Attorney General and what did he say to you?

A. I will not tell you that, sir.

Q. Is he your attorney? He doesn't represent you.

MR. DeMOISEY:

He represents all of the people of Mississippi.

A. I'm a citizen of Mississippi. I wouldn't give you that information. And you can call Judge Wine and ask him if he wants me to, and I still won't give it to you.

MR. SMITH:

Q. So you would defy Judge Wine if he ordered you to answer what your discussion was with Attorney General Mike Moore?

A. Mr. Smith, you've baited me on this issue before on a number of occasions, and I don't take your bait. I think it's not just irregular, but it's a little rude of you to continue to try to bait me and get Judge Wine to do what he normally would do anyway.

Now, I will tell you that I will not give you any information that pertains to a conversation I had with the Attorney General of Mississippi. Now, if you want to call Mike Moore, if you want to call the Attorney General and ask him if he will let me talk with you, then I will be happy to talk with you. But personally, I believe the jurisdiction, you're overstepping your bounds there.

Q. Now, we've covered the computer disk and we've covered hard copies of the documents, but we haven't covered everyone that you have orally provided information that you learned from your employment by Wyatt. And I want to know who those people are.

A. Say that again, please.

Q. Yes. You've told me where the people to whom you delivered copies of documents you took while you were employed at Wyatt. You've told me people that you delivered computer disks to that contained information you obtained while employed at Wyatt. And I'm asking you, who have you orally given information to that you learned through your employment at Wyatt about Brown & Williamson.

A. Well, with the exception of documents or-- Can you give me some possibilities that you might suspect?

Q. Well, Mr. Scruggs?

A. Oral information?

Q. Uh-huh.

MR. DeMOISEY:

Let me make clear something so I understand the question. Are you talking about someone giving a verbal opinion or are you talking

about verbal reciting of some sort of this document says or whatever? I mean--

MR. SMITH:

I'm talking about verbal reciting or just telling someone what his impression, what he learned while he was employed at Wyatt, providing oral information that he learned while he was at Wyatt about Brown & Williamson. I think it's pretty clear what I'm talking about.

MR. DeMOISEY:

Oh, it's entirely unclear. We are talking about any conversation he had, which literally would start with, yes, I was employed with Wyatt, and go the whole gamut? Is that what you're asking?

THE WITNESS:

Let me give you an example.

MR. DeMOISEY:

I want to know, what's the question? Saying I was employed at Wyatt is giving information about--

MR. SMITH:

That's not information he learned about Brown & Williamson.

MR. DeMOISEY:

That's not what you asked.

MR. SMITH:

It is exactly what I asked. You want me to read it to you?

MR. DeMOISEY:

Sure.

MR. SMITH:

"I'm asking you, who have you orally given information to that you learned through your employment at Wyatt about Brown & Williamson?"

MR. DeMOISEY:

All right. Let me expand it then. I was employed by Wyatt, Tarrant & Combs to work in documents belonging to Brown & Williamson. That, in itself, would be-- Are you asking from that point, how many people did you tell?

A. Let me-- I'll answer the question. When I talked with Michael Orey, of The American Lawyer-- I believe it was Michael Orey-- and this was a story that I think was on me a year ago or so, I made a point. I said, I'm not talking about documents or I'm not talking about anything.

But I do think that this is a relatively innocent statement, that Wyatt had a golf club. And for-- having been there four years, I thought it was really-- I wasn't a member of the golf club. But

they went in the back room where the documents were, and they had these putters. And since these were mostly temporary employees, they would go back there and they would putt these Styrofoam cups. And it--

You know, Ernie Clements was never around, to begin with. He was never there. There was no supervision. There is no such thing as a Walt Jones supervisor. It never was, not to me. I never heard of him until it was represented to the court on the 29th of--

Q. Mr. Williams, maybe I was confusing in my question. Let me go back and try again. Have you ever sat down with anyone and explained to them what you think the documents that you took from Wyatt mean?

A. Well, I'll tell you what. The-- I have-- as I mentioned, I won't tell you what--

MR. DeMOISEY:

Let me clear up one other thing. Post September 1993?

MR. SMITH:

Yes. Well, no. Actually either.

MR. DeMOISEY:

Well, wait a minute.

MR. SMITH:

Let me rephrase the question.

Q. Other than anyone at Wyatt that you worked with, have you sat down and explained what one or more of the documents that you looked at while you were employed at Tarrant reflect or mean?

MR. DeMOISEY:

And the objection, for the purpose of this deposition, the only relevant part of that question is after the entry of the restraining order in September of 1993.

MR. SMITH:

Q. Can you answer that question?

A. I discussed with Mr. Richard Daynard, prior to the order, the-- what I considered to be, and I think I'm correct, the ongoing fraud involving the Farmer's Insurance takeover by BAT in 1989, in which your firm participated, and you were one of the principal litigators. The depositions were fraudulently issued to--

Q. Mr. Williams, I appreciate your speeches, but the question is who, and the answer is Mr. Daynard?

A. The answer is the substance of this. I thought you wanted substance. If I-- If you say what did you talk about, you know, and you don't want

substance--

Q. Well, I asked you--

A. All right. I have-- You know, it's almost like you're saying, did you talk to your priest, did you talk to your therapist. Well, I talked to my therapist.

Q. And the answer is yes or no.

A. Well, I talked to my therapist.

Q. And you talked to Professor Daynard. When was that? You said before--

MR. DeMOISEY:

The time after September of 1993. Okay?

A. After September of '93, I heard that, and what I'm saying is that the therapist, Jan Horton.

Q. Anyone else?

A. The-- There were overlaps, parenthetically, overlaps in the federal case that you filed down here to work around both ends of this. I have discussed with-- I assume not the codefendant, but the codefendants, M&S. I have discussed certain things pertaining to the lawsuit, but--

Q. With M&S?

A. Well, as a codefendant.

Q. But with whom?

A. With M&S.

Q. Who-- M&S is a corporation. What person did you talk to?

A. It's not a corporation.

Q. Well, it's an entity.

A. It's a partnership.

Q. Who did you talk to?

A. Well, about what?

Q. You've just told me you talked to someone at M&S and--

A. About what?

Q. What you just told me about.

A. No, you told me B&W, Brown & Williamson, what I did at Brown & Williamson; is that right?

Q. Correct.

A. Okay.

Q. On what you learned while you worked at Brown & Williamson.

A. How can I answer a question like that? What did I learn at Brown & Williamson? That's an oxymoron. How many things did I learn at Brown & Williamson? To begin with, I learned that I could walk in the door, I could go by a sleeping guard, I could go upstairs, I could get in with my key--

Q. You testified that you have discussed

certain things pertaining to the lawsuit, and I said with M&S, and you said, with M&S. And my question is, who is the person that you had that conversation with?

A. Well, with the context of this being-- overlapping Judge Gex's mandate from the Fifth Circuit, I really find it hard for me to answer this question without objecting. I hope you will object. You can't object?

MR. SMITH:

Q. You said you talked to M&S, and I said who is the person.

A. I talked to M&S, the entity.

MR. DeMOISEY:

Can we take a short break, please?

MR. SMITH:

Yes.

(Off the record.)

MR. SMITH:

Q. Mr. Williams, you said earlier, a few minutes ago that you talked to M&S. And I asked you who is the person you talked to. Who was the person that you talked to?

MR. DeMOISEY:

Let me interpose an objection, here. I believe the correct answer is going to be--

A. Tim Carol.

MR. DeMOISEY:

Mr. Carol, who is an attorney, and I believe he has a right to assert a joint defendant privilege, if he chooses to, and, obviously, he's not here so--

MR. SMITH:

I will ask no further questions.

MR. DeMOISEY:

Okay.

MR. SMITH:

On that issue.

Q. What, to your knowledge, did Mr. Scruggs do with these boxes containing the documents that you had taken from Wyatt?

A. I believe he-- it would be speculation on my part.

Q. You don't know?

A. I don't know.

Q. Have you discussed with Mr. Scruggs the contents of those documents or any of them?

A. No. No. I'm-- I've strictly kept to the order on that.

Q. Have you ever met Ron Motley?

A. No.
Q. Have you ever met anyone from Ron Motley's office?
A. No.
Q. You don't know of Andy Burley?
A. Not that I-- No. I don't know an Andy Burley.
Q. Or Diane Mast?
A. No.
Q. Have you met with Don Barrett since you were with him at Irv's Deli in March of 1994?
A. No. I have not met with him.
Q. Have you talked to him?
A. No. I saw him on CNN the other night.
He-- "Moneyline".
Q. During these lunch meetings or luncheons that you had with Mr. Scruggs in April of 1994, who was present at any of these other than the two of you?
A. I believe Mr. Bozeman came on one occasion, and that was it.
Q. Who is Ms. Bozeman?
A. Mr. Bozeman.
Q. And who is Mr. Bozeman?
A. I believe he's a partner.
Q. One of Mr. Scruggs' law partners?
A. Yes. Ex-Navy lawyer, I think.
Q. You testified that there had been a meeting at the hearing loss center at some point. When was that meeting in relation to the April 8th, 9th, 10th timeframe; before or after?
A. It was a meeting-- I was not part of a meeting, as such. I want to clarify that. I know that I said that. But the-- it was not-- I wasn't a party, such as it was. I believe that the Attorney General was making an investigation into criminal activities, and it was on that date that I had a solo, closed-door meeting with the Attorney General. And other people were present but, you know, as I say, I think I identified Mr. Scruggs was there, I believe, and Don Barrett. That's all I know.
Q. And was this meeting before or after April 15?
A. As I say, I don't really know exactly when the date was, but it was after that, I'm sure.
Q. It was after the documents had been delivered to Mr. Scruggs?
A. Yes. I believe so. If I could pin down the time exactly, I would, but I-- I-- He had custody of the documents. Whether or not he had looked at

them or whatever, I don't know. I think at that point, I had no--

Q. Did you sit in on this meeting?

A. I did not sit in on the meeting. I was in the empty room.

Q. Did you hear what went on in the meeting?

A. Well, some of it, I was there, but it seemed to be, you know, just-- I didn't recognize anyone except-- and I don't know if-- I think-- Well, I didn't recognize anybody, and I didn't know the Attorney General until that day, so-- and I speak of the Attorney General of Mississippi.

Q. And who else were you introduced to at that meeting?

A. I wasn't introduced to anybody.

Q. Except the Attorney General?

A. Yes. I was introduced to the Attorney General.

Q. And how many people were at this meeting?

A. I don't know. I-- You know, maybe four, plus the Attorney General. I don't remember. There were more than two. Maybe Mr. Bozeman was there. I don't know.

Q. And did Mr. Scruggs call you and ask you to attend this meeting?

A. I believe that I was called to the meeting on the-- for the purpose of speaking with the Attorney General of Mississippi.

Q. And who made that call to you?

A. I believe Mr. Scruggs did.

Q. Do you believe this meeting was in April?

A. I know it was in April.

Q. It was in April?

A. Sure.

Q. So it must have been between April 15 and April 30, since it was after the--

A. Yes. I would say something along those lines, yes.

Q. Well, I wonder if it would help you fix it in your mind as to whether you were living in the new house or not.

A. In April?

Q. Yes.

A. I didn't actually make a move, complete move until July or some time. I mean, I was in the house in June, but I wasn't living there. I mean, I was partially living there. My kids were due on August the 10th.

Q. The contact that you had with Professor Daynard, was it after your employment at Wyatt or

during?

A. I've had-- yes, in--

MR. DeMOISEY:

Let me interpose an objection. I believe we went over this in court.

A. '92.

MR. SMITH:

Fox, if we did, I don't remember. I'm not trying to be repetitive. If he remembers, it may be easier to do.

MR. DeMOISEY:

You may recall you pulled the time cards out and you asked-- and there was a discussion about the time cards with Mr. Daynard.

MR. SMITH:

I recall generally. I don't recall the answer to that question. If you would like to take the time to look it up, that would be fine. It may be easier for him to just answer it, if he knows it.

A. Well, I remember you asking the question in relation to the time cards. And you specifically asked why would Mr. Daynard say something about-- know anything about labor law or-- And I said, he's a professor at Northwestern University, plus he has a Ph.D., and et cetera, et cetera. I said that I had seen him. But I'll answer your question, whatever your question is.

Q. Well, the simple question was, while you were employed at Wyatt or after you were terminated?

A. While I was employed, no, I don't recall having a conversation with him, although that's a possibility. I will say that I was very interested in the Stop Teenage Addiction Smoking, of which he's a board member, and he's also a source for tobacco products liability and publishes a manual-- well, I mean, a newsletter--

Q. The question is, before or after employment, and so if you can answer that yes or no, fine.

A. Subscription to a magazine, subscription to that sort of thing.

MR. DeMOISEY:

I believe that the information you seek is contained in the previous deposition, beginning approximately Page 119 and running through 127.

MR. SMITH:

Can you tell me what the answer is?

(Off the record.)

(Exhibit 3 was marked.)

MR. SMITH:

Q. In looking through my notes, Mr. Williams, you indicated that the last documents that you took from-- while you were employed at Wyatt were on March the 13th at 11:30 in the morning; is that correct?

A. That's correct.

Q. Is that when you were terminated and left the building? I'm sorry. Is that your last day at work?

A. That's my last day at work.

Q. And what did you take with you at that time?

A. As I say, a box. And I think there was a box within the box. And some of it, you opened at the last deposition. Some of that information related to time cards. Some of it, also, having to do with garbage that had been thrown in there, taxonomy and things that probably were-- well, documents that had been-- small size, small size documents that you couldn't read. There was a policy where you-- they had duplicated on microfilm, and if you couldn't read it, you would go to the microfilm reader. And the microfilm reader, of course, you couldn't read that. And the documents were so small, I mean, it was like this printing here, that size, and so some of that was just in there. And it went out with the good graces of Mr. Clements.

Q. Are you telling me that the documents that you had in your box of things that were to be disposed of is what you took?

A. Nobody ever had a policy of disposing of it.

Q. This was a box next to your desk that kind of extra things were put in; is that what you're talking about?

A. Well, it was a garbage disposal type thing that had been accumulated over maybe-- well, I had moved from different places in the room. It was a big room. And my desk, I suppose at that particular desk, like a Kool ad or something like that, that had some kind of information on it which was related to Brown & Williamson, and-- or even to, as I say, the taxonomy which was in there. I'm not-- I don't know how much was in there. Maybe 30 pounds or so. I'm not sure. It was pretty heavy. And I took it out.

And there is a guard at the station. And you guys, in terms of what you've maintained, let's say the-- to save you some discovery time and get it over here, the guards--

Q. Well, Mr. Williams, honestly, I would prefer that you answer my question.

MR. DeMOISEY:

Just answer his question.

A. Okay. That's the date that I was out there.

MR. SMITH:

Q. Now, I want to go back to some of the items that we were talking on some time ago during this deposition today, and follow up on a couple of more documents that I would like your testimony on.

The first I've marked as Exhibit 3. And this is a Buyer's Settlement Statement. And it lists buyer as M&S Enterprises, a limited partnership, 1415 Diller Road, Ocean Springs, Mississippi.

A. That's right.

Q. M&S is not a business at that address, is it?

A. No, but Tom Anderson, as I understand it, prepared this, and for some reason or other, he just-- he sent it to this address. I remember seeing the-- some information that he sent. As a matter of fact, Tom Anderson was the closing person. I wasn't there. I don't know if anybody else was.

Q. You weren't at the closing?

A. Of course not.

Q. Why not?

A. I wasn't M&S.

Q. Who paid for the furnishings for the house?

A. Well, the furnishings, some of the furnishings have been paid for over the past two years, by me, through my own resources. Some have been-- were paid for by Sherrie, through our last divorce, our divorce. A lot of them have been just put into-- I had three rooms, and they were partially furnished, and they are still partially furnished. Three rooms for the kids, two--

Q. Did M&S help pay for any of the furnishings?

A. No.

Q. Who pays for the real estate taxes on the house?

A. I do.

Q. Did M&S or anyone else ever pay for any taxes on the house after you moved in it?

A. No. Or the upkeep. And I would say that's a considerable sum.

Q. How much is it?

A. What?

Q. The taxes.

A. \$1700, something of that. \$840 and--

However, I have homestead now, so-- I don't think it will make a difference. That was one of the purposes in getting it in my name, for homestead.

Q. In July of 1994, the property at 1415 Diller was deeded over to you personally from M&S, correct?

A. That's correct.

Q. And what was the occasion for that? Why did that happen only a few months after M&S purchased the house?

A. Well, there was a reason of homestead exemption, and I also felt very comfortable with the fact that I could pay it back.

Q. Based on these conversations with agents or people who had talked to agents?

A. The-- Based on the fact that there was a lot of interest out there, and Tom Royals, my lawyer in Jackson, was informing me that there was a lot of people-- there were a lot of people who were calling him and were trying to arrange some kind of-- some kind of entertainment deal.

Q. But at the time that the house was deeded to you, you paid nothing to M&S, correct?

A. To M&S? No.

Q. Or to anyone else.

A. No.

Q. And you haven't since then.

A. No.

Q. Did you request of Mr. Scruggs that he have M&S partnership deed the house to you?

A. Yes, I did.

Q. You suggested it to him?

A. I said I would like to make sure that my kids get through high school and not get dumped out, as would you mind. And I don't think he even gave it a second thought.

Q. Would you mind, what, just deeding the house to me?

A. Yes. I didn't find it unusual. He can always get it back. I believe there was a consideration-- I wanted-- I think we had discussed the promissory note. I said I would sign a promissory note. He said, forget it. It doesn't matter. I've since-- you know, I don't know. Essentially, I have homestead, and that's-- you know, there is a great deal of protection there, in terms of lower taxes, and there is some kind of security in knowing that your children are not going to be out on the streets. And unfortunately, the way the story goes, my wife divorced me, my kids went back to

Louisville.

(Exhibit 4 was marked.)

MR. SMITH:

Q. I want to show you Exhibit 4. I just want you to confirm for me that that's the deed where M&S deeded the house to you.

A. Yes. It looks like it. Yes. How many copies are there? I would like to make a note that this is still in Judge Gex's area, as well.

Q. Did Mr. Scruggs assist you in organizing Island Wind Sailing Company?

A. No.

Q. Well, who are Don Lacy and William Colbert?

A. I don't know who William Colbert is. I may have met him. Don Lacy, I went to high school with.

Q. And he assisted you in forming Island Wind Sailing?

A. When I came down here in March, I had the idea of incorporating. And I stopped by his office, and he said, well, you can do it for \$50. And I graduated with Don from Murrow High School, and we had-- we had a good relationship at Murrow. And I hadn't seen him in many years. And he said he would-- you know, he'd do it. And for \$100, he did it.

And as far as the articles, he filled in William Colbert's name, and I don't know who the man is. He's a partner, I suppose. I don't think that Don knows, as you've alleged in the federal suit, that there is some kind of a-- that Colbert is-- I think you've said that he is involved in some of the states-- one of the state's suits or something. I don't think Don has any knowledge of that, or if he does, it certainly didn't cross his mind. He's a real estate man. He works strictly in real estate.

I did ask him if he would possibly-- at the time, if he would mind suing you guys. But he said no.

Q. I'm sorry.

A. I asked him, Don, if he wouldn't mind suing you guys in some way, if he could find a way. And he said no. I mean, we were just kidding. I'm sure there is a way, though.

Q. You're aware that that firm represents plaintiffs against tobacco companies, aren't you?

A. No, I'm not. It never crossed my mind. I went to see my friend, and there he was. And I think the first time was in March, and I think he drew up a

corporate paper, which is nothing in Mississippi. It's just a-- you fill out a form. And I think he didn't get around to it until June. I don't know. I've got my corporate records. I've got my corporate book and seal and all this stuff, and he handled everything. We were inactive last year. I don't know what I'm doing with it yet. I don't have any capital. So--

Q. Is the 30-foot Morgan owned by Island Wind?

A. Yes, it is.

Q. And was that financed?

A. It was originally.

Q. It's been paid off now?

A. It's been paid off, and I assume it's paid off, yes.

Q. Where did the money come from to pay it off?

A. It came from Sunburst Bank.

Q. And has the loan from Sunburst been paid off?

A. Yes, it has.

Q. By whom?

THE WITNESS:

May I interrupt here? Could we have a conversation?

MR. DeMOISEY:

Sure.

(Off the record.)

MR. SMITH:

Q. Mr. Williams, who paid the loan--

THE WITNESS:

Could we go back to the question before that?

MR. DeMOISEY:

I want to interpose an objection. Mr. Williams was noticed to be here as a person, and this gets into corporate matters belonging to Island Wind, Inc., and that's outside the scope of this deposition.

MR. SMITH:

Well, if Mr. Scruggs paid off a loan for the benefit of Mr. Williams, it's relevant to whether or not-- to the issue that we're here on today. So I would insist that he answer the question as to who paid off the loan, whether it was directly for Mr. Williams or on his behalf as the proprietor of Island Wind Sailing. So, can you answer the question?

MR. DeMOISEY:

No. If you want that information, then

you need to get the right corporate persons here to answer it.

MR. SMITH:

Q. Do you know who paid off the loan?

MR. DeMOISEY:

Same objection.

A. The corporate--

MR. DeMOISEY:

Same objection.

MR. SMITH:

Just so the record is clear, I am asking this question to determine whether or not a benefit was received by Mr. Williams, either directly or through Island Wind, from the people that he gave these documents to. And if he knows the answer, it's relevant and I ask him to answer. And he's declining; is that correct?

MR. DeMOISEY:

Well, you also have to get it through the right channels, whatever the information is.

MR. SMITH:

It's not privileged, and if he knows, there is no basis on which to object to it.

MR. DeMOISEY:

It's confidential to the corporation, whatever it is.

MR. SMITH:

That is not an objection to direct a witness not to answer. If you're directing him to, then go ahead. I just would say that--

A. This is the seal of the corporation, and I don't think you have the right to get into that right here on the basis of a Mississippi corporation, and having the officers not called for that purpose. And if you have to check the minutes of the records, then I guess you ought to have some stock in it or something of that sort. I don't know.

MR. SMITH:

Q. Are you the secretary of Island Wind Sailing?

A. I'm not answering any questions on that.

Q. Are you the secretary of Island Wind Sailing?

A. I'm not answering that question.

MR. DeMOISEY:

If you want the information, you need to go through the proper channels with that entity.

MR. SMITH:

If this is an officer of the corporation, it is the appropriate person. So I am establishing

that he is an officer and the secretary of Island Wind. Are you--

MR. DeMOISEY:

That's not who you subpoenaed, and the corporation documents are not available to him at this time.

MR. SMITH:

Fox, this is word games, and you know it is. You know what I'm getting into goes to the issue we're here on today.

Q. And are you, Merrell Williams, the person subpoenaed here today, the secretary of Island Wind Sailing?

MR. DeMOISEY:

It's the same problem. He is subpoenaed here as a person. If you wanted corporate documents, you could have appended it to this other thing.

MR. SMITH:

I haven't asked about any corporate documents.

MR. DeMOISEY:

You're just asking about corporate business, and you're asking him to have knowledge of corporate documents, if he does, or if any of this has happened. It's all, as far as I know, speculative. If you want the information, correctly subpoena it.

MR. SMITH:

Let's go on. I am going to ask a series of questions, and if you are going to instruct him not to answer, then you just say so and we'll go on. Fair enough?

MR. DeMOISEY:

If they're all about corporate business, it's going to be the same thing.

MR. SMITH:

Q. Are you the secretary of Island Wind Sailing. Refusal to answer?

MR. DeMOISEY:

Look, I've stated it three times. If you want the information, subpoena it correctly.

MR. SMITH:

You really want to go back to Judge Wine and tell him that you wouldn't let the witness answer these questions so that we can come back here again and do it?

MR. DeMOISEY:

If you want the information, subpoena it correctly. If you knew you were going to go through all this, all you had to do was put on, and if you're

an officer, give us this, and if that--

MR. SMITH:

I haven't asked for a single document and I am not asking for any documents now.

MR. DeMOISEY:

You're asking for transactions that he may or may not have information--

MR. SMITH:

You know this is spurious. I'm asking for information--

MR. DeMOISEY:

Spurious? This whole thing is spurious. What do you mean, this is spurious?

MR. SMITH:

If he has the information, he should have to testify to it.

MR. DeMOISEY:

Well, that's good. This is Mr. Smith on procedural law. Fine. We have taken your pronouncement on high. It's deficient. Move on.

THE WITNESS:

Mr. Smith, I--

MR. DeMOISEY:

That's enough. Now, we have been patiently answering questions, questions I'm sure that you are amazed that he's answering now, for the last five hours. Now, move on.

THE WITNESS:

And I think, also, this has to do with Judge Gex and his case, and if you want to go through the minutes of Island Wind Sailing Company, I suppose that that overlaps that particular issue. I don't know.

MR. SMITH:

What benefits you received from people to whom you've provided documents that you took from Wyatt, Tarrant & Combs is directly relevant to the issue we are here on today.

And my question is directly-- relates to directly and indirectly benefits that Merrell Williams has received, one of which was the purchase of a sailboat and a loan that now no longer exists on it. And that's a benefit that Merrell Williams received. It's one of several. And my question is, who gave you that benefit.

MR. DeMOISEY:

Well, let me interpose this objection, and this sticks. Now, I've put up with this as long as I am going to put up with it. First of all, the purpose of this deposition is to determine evidence,

whether or not Mr. Williams is in violation of the restraining order and/or the injunction. Now, you're off on some other thing. Well, maybe if he is, he got benefits for it, which is not the issue before Judge Wine.

Now, we are either going to move on or this is over. Now, I am willing to go before Judge Wine and say, we have sat here for five hours and provided you information, and nothing is enough, because this is about harassment. This is about you covering what you people have been doing for the last 40 years. This is about why I can't quit smoking because you bastards knew it was addictive. It's about you covering your conduct.

Now, we are going to move on or not.

MR. SMITH:

Fox, I am going to ask my questions and we don't need speeches. If you want to direct him not to answer, you can do so.

MR. DeMOISEY:

How many times, how many ways do you want me to say it? Last chance. Last chance.

MR. SMITH:

I'm moving onto the next question.

MR. DeMOISEY:

Then do it.

MR. SMITH:

Q. Now, have you purchased a Dodge Neon?

A. Have I purchased it?

Q. Yes.

A. Yes.

Q. And who assisted you in obtaining credit for that car?

A. I believe the bank's name has been changed, and I don't-- it's-- It was originally for my daughter. I'm still paying for it. The bank is one of two. They changed their name. It's Sunburst.

Q. Did anyone cosign with you for the note on that car?

A. Yes.

Q. Who?

A. Dick Scruggs.

Q. Now, do you have a 1991 Mustang convertible?

A. Yes, I do.

Q. Did someone cosign for the purchase of that car?

A. Yes, they did.

Q. And who was that?

A. Dick Scruggs.

Q. Now, was Dick Scruggs involved in the purchase of the sailboat that you have?

MR. SMITH:

Well, he's going to answer about cars but not sailboats?

A. Could I hear the law on this because you're just--

MR. DeMOISEY:

Stop. Did we just not go through this? Does the boat not belong to a corporation?

MR. SMITH:

So does the car and he answered that.

MR. DeMOISEY:

Does the car belong to the corporation?

THE WITNESS:

The car does not belong to the corporation. It belongs to me and-- It's registered in Island Wind and Merrell Williams.

MR. SMITH:

Right. He answers about Island Wind owning the car but he won't answer about Island Wind owning the boat. I mean, which way does he want to have it?

THE WITNESS:

I said it's registered to me. It's not registered to that. And it's still a loan. And I haven't seen anything on closing the note on the-- on anything else, the boat that you're talking about, or any other boats. I mean, we are in area 51 again.

(Exhibit 5 was marked.)

MR. SMITH:

Q. Let me show you Exhibit 5, which are title documents for a 1991 Ford Mustang, VIN Number 1FACP44M9MF151392, which indicates that Island Wind Sailing, 1415 Diller Road/William M. And then on another page, it says, owner's last name, Island Wind Sailing/William M. And then it says, Merrell Williams/a/k/a Island Wind Sailing Company. Now, the car is registered in the name of Island Wind Sailing Company, and you told me Mr. Scruggs cosigned for it. I am asking the exact same question about the sailboat, but you refuse--

A. You're also mistaken. It is-- as far as I know, it belongs-- the loan is in my name. It's not in Island Wind's name. I refuse to go into any further corporate discussions, regardless of your lectures.

MR. DeMOISEY:

Well, I can see right off the top, this says, Island Wind Sailing Company, and this is

10/5/94. And if I understood, the corporation-- well, it's a different entity.

THE WITNESS:

It was also inactive at that time.

MR. DeMOISEY:

And it's /William M.--

MR. SMITH:

Q. That's your car, isn't it?

A. It's my car.

Q. But the car that you drive that you've told me Mr. Scruggs cosigned on is the car indicated in Exhibit 5?

A. Yes. The corporation is-- Well, it is my liability and my car. It is not Island Wind's liability at this time. Now, it may change. And if you get into the minutes, then fine.

Q. Are there minutes of Island Wind?

A. Yes, sir. There is a corporate book. Here is the corporate seal.

Q. Do you have the corporate seal here with you today?

A. Why would I bring it?

Q. Well, I don't know. But I don't know why you had this with you.

A. Would you like to see what else I have in here?

Q. Sure.

MR. DeMOISEY:

Leave it alone.

A. Here is a lollipop.

MR. DeMOISEY:

Well, first of all, let me get back to this. This says, Merrell Williams, a/k/a Island Wind Sailing Company.

MR. SMITH:

Right. That's the way they wrote it down.

MR. DeMOISEY:

So the owner, as its signature, is Merrell Williams.

MR. SMITH:

Well, that's not what the documents say to me, Fox.

Q. Is that correct, Merrell Williams, a/k/a, also known as Island Wind Sailing Company?

A. That's the way they put it down.

Q. Do you agree with that?

A. I don't know what I'm agreeing with, Gordon. I really don't.

Q. The truth is--

MR. DeMOISEY:

Objection. The document says what it says.

MR. SMITH:

I'm asking about Island Wind now.

Q. The truth is, you are Island Wind, aren't you?

MR. DeMOISEY:

Island Wind what; company, in 1994, or Island Wind--

A. Why don't you check with the Secretary of State. Call them up and ask if I am in good standing, and then find out if I am Island Wind Sailing Company and if I am the corporation and if I filed last year. Get that information from your public investigators, the way you have. Get that from your harassing people.

Q. I'm asking you, as a practical matter, you are the proprietor and person who deals--

A. Well, you're not going to get the information, unless you go through the proper channels, according to my attorney.

Q. What are the proper channels, attorney?

A. Your normal way of doing it is to sue people.

MR. DeMOISEY:

Stop. Go on.

If you want the corporation and the person here, then you subpoena the corporate officer, you put people on notice that this is a line of inquiry and we go from there. Now, we have indulged this fishing trip. Go on.

MR. SMITH:

Let the record reflect, Fox-- and I don't mean to belabor this-- that I have a number of questions to deal with on Island Wind, and I will not go into them in deference to your strong feeling that that's not the appropriate thing to do. But I do want the record to be capable of understanding that I had waived something by not asking it. You've told me not to ask anything else relating to Island Wind.

MR. DeMOISEY:

If you want that subject matter questioned, notice it properly and we'll be able to address it. But I don't believe that some of the things that you're showing me even show a corporate basis. Like the Mustang thing I looked at, that shows a personal ownership and an a/k/a of a company.

MR. SMITH:

Well, actually, the printout shows exactly the opposite of that. But we don't need to argue

about that.

MR. DeMOISEY:

The documents show what they show.

MR. SMITH:

Well, the truth is, what you were looking at is the title being signed over. The actual state document that I've referred to says to the contrary.

You've made your position. I've made mine. Let's move on.

THE WITNESS:

And I am sure you will find a cozy arbiter here.

MR. SMITH:

Q. You mean Judge Wine?

A. Are you baiting me.

Q. A cozy arbiter, what is that?

A. You ask the questions.

Q. Okay. I'll go on. Do you know whether or not Dr. Seltz retained copies of any of the documents that you delivered to her in boxes?

A. No, I do not.

Q. Do you have a belief in that regard?

A. If she retained documents?

Q. Yes.

A. I have a belief that Dr. Seltz never saw anything.

Q. It is your belief that she never opened the boxes and delivered them back as she got them, correct?

A. My belief is what I said before.

Q. Did I summarize it correctly just then?

A. You very seldom do. My belief is what I said before.

Q. I don't remember asking you whether you thought she had made copies before. That's why I asked it now.

A. Are we going to banter or are you going to accept my answer?

Q. Well, your answer was what you said before and you never said anything before.

A. You want to look at your--

MR. DeMOISEY:

Let's not get--

MR. SMITH:

I know. Let's just answer the question.

MR. DeMOISEY:

Well, I mean, you're asking things that he's already answered, and you're not answering back, and I'm getting real tired of it. His statements were before that he didn't believe that she even

looked at it, and that she passed it off to someone else whom he didn't know and then it came back. Now, do you have a belief that she made copies? Yes or no?

THE WITNESS:

I've explained that. I don't think she saw anything. I don't think she saw anything, and therefore, she couldn't have made copies.

MR. DeMOISEY:

Fine. Now, let's move on.

MR. SMITH:

Thank you, Fox. Maybe you should intercede and translate for us.

A. Now, if you want to go further and see if somebody else got them and made copies, then who knows.

MR. SMITH:

Q. I do apologize if I asked this before, but I don't remember it. Did you ever tell Dr. Seltz what was in the boxes?

A. No.

Q. Do you have any information on how documents that are now on the Internet at UCSF were delivered to UCSF?

A. A Mr. Butts sent them there.

Q. Do you have any information on the true identity of Mr. Butts?

A. No, except it could be the cartoonist Doonesbury.

MR. DeMOISEY:

Don't speculate. He asked for information, not speculation.

A. I think Gary Trudeau is an obvious source of the absurdity of what you're asking.

MR. SMITH:

Q. The answer is, you don't have any information, other than your absurd answer?

A. Other than my absurd answer?

Q. Right, about Gary Trudeau.

A. Well, I take umbrage at your characterization, but nonetheless, I think you have a valid statement.

MR. SMITH:

Let's go off the record just a minute.
(Off the record.)

MR. SMITH:

Q. Mr. Williams, have you given a copy of the transcript of your January 15 deposition to anyone?

A. No.

Q. Do you understand that it's under seal

now?

A. Now, right. But I thought about it. I mean, I didn't know it was sealed.

Q. But you have not provided a copy of it to anyone?

A. No. I haven't provided a copy of it.

Q. You haven't shown it to Mr. Scruggs?

A. No.

Q. You haven't shown it to anyone?

A. No.

Q. And you understand that the deposition we are taking here today is likewise under seal?

A. Right. I thought it was pretty boring. I didn't know it was sealed. I'm glad I found out.

MR. SMITH:

Go off the record.

(Off the record.)

MR. SMITH:

Q. What kind of a doctor is Dr. Seltz?

A. Ph.D. in psychology.

Q. Does Dr. Seltz still live in Orlando?

A. No.

Q. Where does Dr. Seltz live?

A. Dallas.

Q. And what is Dr. Seltz' address?

A. I don't know.

Q. What does Dr. Seltz do?

A. Computer configurations or something of that sort.

Q. And who does Dr. Seltz work for?

A. I don't know.

Q. And does Dr. Seltz presently have any materials that you've given to her with regard to Brown & Williamson?

A. No.

Q. Do you know how to get in contact with Dr. Seltz?

A. Yes, I do.

Q. Does she live in Dallas proper or a suburb?

A. I think it's one of the-- you know, Dallas, Fort Worth, somewhere in there, but I'm not sure.

Q. Does she work for a company or just independently or do you know?

A. I think she works for a company.

Q. But you don't know what it is?

A. No. I-- We communicate maybe once every year or so.

MR. SMITH:

Those are all of the questions I have at this time. Thank you.

(Off the record.)

(The following text is off the video record.)

MR. SMITH:

For the record, we have marked five exhibits. I would propose to simply leave them with the reporter and have her append a copy to each copy of the deposition.

MR. DeMOISEY:

No problem. I would note that the one-- I think it's 3, the one with the deed--

MR. SMITH:

No, that's 4.

MR. DeMOISEY:

4, it's got like three copies of the same thing.

MR. SMITH:

Well, it actually has four copies. And with your permission, I'll simply do one of the--

MR. DeMOISEY:

That works for me.

MR. SMITH:

I would also like to say, for the record, and I would request that the reporter put this on the cover page of the deposition, because we didn't state it overtly, at the beginning, that this deposition is at the direction of the court, taken under seal. And I would like that reflected on the cover so that anyone who looks at it will see, under seal, pursuant to court direction. Is that agreeable with you?

MR. DeMOISEY:

Fine.

(Deposition concluded.)

CERTIFICATE OF COURT REPORTER

I, MONICA SCHROEDER, Court Reporter and Notary Public, in and for the County of Jackson, State of Mississippi, hereby certify that the foregoing pages, and including this page, contain a true and correct transcript of the testimony of the witness, as taken by me at the time and place heretofore stated, and later reduced to typewritten form by computer-aided transcription under my supervision, to the best of my skill and ability.

I further certify that I placed the witness under oath to truthfully answer all questions in this matter under the authority vested in me by the State of Mississippi.

I further certify that I am not in the employ of, or related to, any counsel or party in this matter, and have no interest, monetary or otherwise, in the final outcome of the proceedings.

Witness my signature and seal, this the
day of _____, 1996.

Monica Schroeder, C.S.R. #1285

My Commission Expires June 12, 1999

ERRATA SHEET

I, MERRELL WILLIAMS, JR., do solemnly swear
that I have read the foregoing 207 pages and that the same is a true and correct
transcript of the
testimony given by me at the time and place hereinbefore set forth, with the
following
corrections:
Page: Line: Correction:

MERRELL WILLIAMS, JR.

NOTARIZATION

I, _____, notary public
for the State of Mississippi, _____

County, do hereby certify that Merrell Williams, Jr.,
personally appeared before me this _____ day of
_____, 1996, at _____, Mississippi.
My Commission Expires:

(NOTARY

PUBLIC)